

Senate File 2374 - Introduced

SENATE FILE 2374

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2350)

(SUCCESSOR TO SSB 3140)

A BILL FOR

- 1 An Act relating to alcoholic beverage control and licensing,
- 2 providing for fees, and including effective date provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

RETAIL ALCOHOL LICENSES

Section 1. Section 123.30, Code 2022, is amended by striking the section and inserting in lieu thereof the following:

123.30 Retail alcohol licenses — classes.

1. *a.* A retail alcohol license may be issued to any person who is of good moral character as defined by this chapter.

b. As a condition for issuance of a retail alcohol license or wine or beer permit, the applicant must give consent to members of the fire, police, and health departments and the building inspector of cities; the county sheriff or deputy sheriff; members of the department of public safety; representatives of the division and of the department of inspections and appeals; certified police officers; and any official county health officer to enter upon areas of the premises where alcoholic beverages are stored, served, or sold, without a warrant during business hours of the licensee or permittee to inspect for violations of this chapter or ordinances and regulations that cities and boards of supervisors may adopt. However, a subpoena issued under section 421.17 or a warrant is required for inspection of private records, a private business office, or attached living quarters. Persons who are not certified peace officers shall limit the scope of their inspections of licensed premises to the regulatory authority under which the inspection is conducted. All persons who enter upon a licensed premises to conduct an inspection shall present appropriate identification to the owner of the establishment or the person who appears to be in charge of the establishment prior to commencing an inspection; however, this provision does not apply to undercover criminal investigations conducted by peace officers.

c. As a further condition for the issuance of a class "E" retail alcohol license, the applicant shall post a bond in a sum of not less than five thousand nor more than fifteen thousand dollars as determined on a sliding scale established

1 by the division; however, a bond shall not be required if all
2 purchases of alcoholic liquor from the division by the licensee
3 are made by means that ensure that the division will receive
4 full payment in advance of delivery of the alcoholic liquor.

5 *d.* A class "E" retail alcohol license may be issued to a
6 city council for premises located within the limits of the city
7 if there are no class "E" retail alcohol licensees operating
8 within the limits of the city and no other applications for a
9 class "E" license for premises located within the limits of
10 the city at the time the city council's application is filed.
11 If a class "E" retail alcohol license is subsequently issued
12 to a private person for premises located within the limits of
13 the city, the city council shall surrender its license to the
14 division within one year of the date that the class "E" retail
15 alcohol licensee begins operating, liquidate any remaining
16 assets connected with the liquor store, and cease operating the
17 liquor store.

18 2. A retail alcohol license shall not be issued for premises
19 which do not constitute a safe and proper place or building
20 and which do not conform to all applicable laws, ordinances,
21 resolutions, and health and fire regulations. A licensee
22 shall not have or maintain any interior access to residential
23 or sleeping quarters unless permission is granted by the
24 administrator in the form of a living quarters permit.

25 3. Retail alcohol licenses issued under this chapter shall
26 be of the following classes:

27 *a.* Class "B".

28 (1) (a) A class "B" retail alcohol license may be
29 issued and shall authorize the holder to purchase wine from
30 a class "A" wine permittee only and beer from a class "A"
31 beer permittee only, and to sell wine and beer in original
32 unopened containers at retail to patrons for consumption off
33 the licensed premises.

34 (b) The holder of a class "B" retail alcohol license may
35 sell wine to class "C", special class "C", class "D", and class

1 "F" retail alcohol licensees for resale for consumption on
2 the premises. Such wine sales shall be in quantities of less
3 than one case of any wine brand but not more than one such
4 sale shall be made to the same retail alcohol licensee in a
5 twenty-four-hour period.

6 (c) The holder of a class "B" retail alcohol license may
7 sell beer to class "C", special class "C", class "D", and class
8 "F" retail alcohol licensees for resale for consumption on
9 the premises. Such beer sales shall be in quantities of not
10 more than five cases of beer, high alcoholic content beer, and
11 canned cocktails, but not more than one such sale shall be
12 made to the same retail alcohol licensee in a twenty-four-hour
13 period. A class "A" beer permittee shall be held harmless
14 concerning any beer resold as authorized by this subparagraph
15 division.

16 (2) A special class "B" retail native wine license shall
17 authorize the holder to purchase wine from a native winery
18 holding a class "A" wine permit and to sell native wine only at
19 retail for consumption off the licensed premises.

20 b. Class "C".

21 (1) (a) A class "C" retail alcohol license may be issued to
22 a commercial establishment but must be issued in the name of
23 the individuals who actually own the entire business.

24 (b) The holder of a class "C" retail alcohol license shall
25 be authorized to purchase alcoholic beverages as follows:

26 (i) Alcoholic liquors in original unopened containers from
27 class "E" retail alcohol licensees only.

28 (ii) Wine from class "A" wine permittees.

29 (iii) Wine from class "B" retail alcohol licensees or class
30 "E" retail alcohol licensees in quantities of less than one
31 case of any wine brand in a twenty-four-hour period, but not
32 more than one such purchase shall be made by the licensee in a
33 twenty-four-hour period.

34 (iv) Beer from class "A" beer permittees.

35 (v) Beer from class "B" retail alcohol licensees or class

1 "E" retail alcohol licensees in quantities of not more than
2 five cases of beer, high alcoholic content beer, and canned
3 cocktails, but not more than one such purchase shall be made by
4 the licensee in a twenty-four-hour period. A class "A" beer
5 permittee shall be held harmless concerning any beer resold as
6 authorized by this subparagraph subdivision.

7 (c) The holder of a class "C" retail alcohol license
8 shall be authorized to sell alcoholic beverages to patrons by
9 the individual drink for consumption on the premises only.
10 However, alcoholic liquor, wine, and beer in original unopened
11 containers may also be sold for consumption off the premises.
12 In addition, mixed drinks or cocktails may also be sold for
13 consumption off the premises subject to the requirements of
14 section 123.49, subsection 2, paragraph "d".

15 (d) The holder of a class "C" retail alcohol license may
16 also hold a special class "A" beer permit for the premises
17 licensed under a class "C" retail alcohol license for the
18 purpose of operating a brewpub pursuant to this chapter.

19 (2) (a) A special class "C" retail alcohol license may be
20 issued to a commercial establishment.

21 (b) The holder of a special class "C" retail alcohol license
22 shall be authorized to purchase alcoholic beverages as follows:

23 (i) Wine from class "A" wine permittees.

24 (ii) Wine from class "B" retail alcohol licensees or class
25 "E" retail alcohol licensees in quantities of less than one
26 case of any wine brand in a twenty-four-hour period, but not
27 more than one such purchase shall be made by the licensee in a
28 twenty-four-hour period.

29 (iii) Beer from class "A" beer permittees.

30 (iv) Beer from class "B" retail alcohol licensees or class
31 "E" retail alcohol licensees in quantities of not more than
32 five cases of beer, high alcoholic content beer, and canned
33 cocktails, but not more than one such purchase shall be made by
34 the licensee in a twenty-four-hour period. A class "A" beer
35 permittee shall be held harmless concerning any beer resold as

1 authorized by this subparagraph subdivision.

2 (c) The holder of a special class "C" retail alcohol
3 license shall be authorized to sell wine and beer to patrons
4 by the individual drink for consumption on the premises only.
5 However, wine and beer in original unopened containers may also
6 be sold for consumption off the premises.

7 (d) The license issued to holders of a special class "C"
8 retail alcohol license shall clearly state on its face that the
9 license is limited.

10 c. Class "D".

11 (1) A class "D" retail alcohol license may be issued
12 to a railway corporation, to an air common carrier, and to
13 passenger-carrying boats or ships for hire with a capacity of
14 twenty-five persons or more operating in inland or boundary
15 waters, and shall authorize the holder to sell or furnish
16 alcoholic beverages to passengers for consumption only on
17 trains, watercraft as described in this section, or aircraft,
18 respectively. Each license is valid throughout the state.
19 Only one license is required for all trains, watercraft, or
20 aircraft operated in the state by the licensee. However, if a
21 watercraft is an excursion gambling boat licensed under chapter
22 99F, the owner shall obtain a separate class "D" retail alcohol
23 license for each excursion gambling boat operating in the
24 waters of this state.

25 (2) A class "D" retail alcohol licensee who operates a train
26 or a watercraft intrastate only, or an excursion gambling boat
27 licensed under chapter 99F, shall be authorized to purchase
28 alcoholic beverages as follows:

29 (a) Alcoholic liquors in original unopened containers from
30 class "E" retail alcohol licensees only.

31 (b) Wine from class "A" wine permittees.

32 (c) Wine from class "B" retail alcohol licensees or class
33 "E" retail alcohol licensees in quantities of less than one
34 case of any wine brand in a twenty-four-hour period, but not
35 more than one such purchase shall be made by the licensee in a

1 twenty-four-hour period.

2 (d) Beer from class "A" beer permittees.

3 (e) Beer from class "B" retail alcohol licensees or class
4 "E" retail alcohol licensees in quantities of not more than
5 five cases of beer, high alcoholic content beer, and canned
6 cocktails, but not more than one such purchase shall be made by
7 the licensee in a twenty-four-hour period. A class "A" beer
8 permittee shall be held harmless concerning any beer resold as
9 authorized by this subparagraph division.

10 d. Class "E".

11 (1) A class "E" retail alcohol license may be issued and
12 shall authorize the holder to purchase alcoholic liquor in
13 original unopened containers from the division only, wine
14 from a class "A" wine permittee only, and beer from a class
15 "A" beer permittee only; to sell alcoholic liquor, wine, and
16 beer in original unopened containers at retail to patrons for
17 consumption off the licensed premises; and to sell alcoholic
18 liquor and high alcoholic content beer at wholesale to other
19 retail alcohol licensees, provided the holder has filed with
20 the division a basic permit issued by the alcohol and tobacco
21 tax and trade bureau of the United States department of the
22 treasury.

23 (2) A holder of a class "E" retail alcohol license may hold
24 other retail alcohol licenses, but the premises licensed under
25 a class "E" retail alcohol license shall be separate from other
26 licensed premises, though the separate premises may have a
27 common entrance.

28 (3) The holder of a class "E" retail alcohol license may
29 sell wine to class "C", special class "C", class "D", and class
30 "F" retail alcohol licensees for resale for consumption on
31 the premises. Such wine sales shall be in quantities of less
32 than one case of any wine brand but not more than one such
33 sale shall be made to the same retail alcohol licensee in a
34 twenty-four-hour period.

35 (4) The holder of a class "E" retail alcohol license may

1 sell beer to class "C", special class "C", class "D", and class
2 "F" retail alcohol licensees for resale for consumption on
3 the premises. Such beer sales shall be in quantities of not
4 more than five cases of beer, high alcoholic content beer, and
5 canned cocktails, but not more than one such sale shall be
6 made to the same retail alcohol licensee in a twenty-four-hour
7 period. A class "A" beer permittee shall be held harmless
8 concerning any beer resold as authorized by this subparagraph.

9 (5) The division may issue a class "E" retail alcohol
10 license for premises covered by a retail alcohol license
11 for on-premises consumption under any of the following
12 circumstances:

13 (a) If the premises are in a county having a population
14 under nine thousand five hundred in which no other class "E"
15 retail alcohol license has been issued by the division, and no
16 other application for a class "E" retail alcohol license has
17 been made within the previous twelve consecutive months.

18 (b) If, notwithstanding any provision of this chapter to the
19 contrary, the premises covered by a retail alcohol license is a
20 grocery store that is at least five thousand square feet.

21 e. Class "F".

22 (1) A class "F" retail alcohol license may be issued to a
23 club and shall authorize the holder to sell alcoholic beverages
24 to bona fide members and their guests by the individual drink
25 for consumption on the premises only.

26 (2) The holder of a class "F" retail alcohol license shall
27 be authorized to purchase alcoholic beverages as follows:

28 (a) Alcoholic liquors in original unopened containers from
29 class "E" retail alcohol licensees only.

30 (b) Wine from class "A" wine permittees.

31 (c) Wine from class "B" retail alcohol licensees or class
32 "E" retail alcohol licensees in quantities of less than one
33 case of any wine brand in a twenty-four-hour period, but not
34 more than one such purchase shall be made by the licensee in a
35 twenty-four-hour period.

1 (d) Beer from class "A" beer permittees.

2 (e) Beer from class "B" retail alcohol licensees or class
3 "E" retail alcohol licensees in quantities of not more than
4 five cases of beer, high alcoholic content beer, and canned
5 cocktails, but not more than one such purchase shall be made by
6 the licensee in a twenty-four-hour period. A class "A" beer
7 permittee shall be held harmless concerning any beer resold as
8 authorized by this subparagraph division.

9 4. Notwithstanding any provision of this chapter to the
10 contrary, a person holding a retail alcohol license to sell
11 alcoholic beverages for consumption on the licensed premises
12 may permit a customer to remove one unsealed bottle of wine
13 for consumption off the premises if the customer has purchased
14 and consumed a portion of the bottle of wine on the licensed
15 premises. The licensee or the licensee's agent shall securely
16 reseal such bottle in a bag designed so that it is visibly
17 apparent that the resealed bottle of wine has not been tampered
18 with and provide a dated receipt for the resealed bottle of
19 wine to the customer. A wine bottle resealed pursuant to the
20 requirements of this subsection is subject to the requirements
21 of sections 321.284 and 321.284A. A person holding a retail
22 alcohol license to sell alcoholic beverages for consumption on
23 the licensed premises may permit a customer to carry an open
24 container of wine from the person's licensed premises into
25 another immediately adjacent licensed premises that is covered
26 by a license or permit that authorizes the consumption of wine,
27 a temporarily closed public right-of-way, or a private place.

28 Sec. 2. Section 123.31, Code 2022, is amended by striking
29 the section and inserting in lieu thereof the following:

30 **123.31 Retail alcohol licenses — application.**

31 1. A person applying for a retail alcohol license shall
32 submit a completed application electronically, or in a manner
33 prescribed by the administrator, which shall set forth under
34 oath the following:

35 a. The name and place of residence of the applicant.

1 *b.* The names and addresses of all persons or, in the case of
2 a corporation, limited liability company, or any other similar
3 legal entity, the officers, directors, and persons owning or
4 controlling ten percent or more of the capital stock thereof,
5 having a financial interest, by way of loan, ownership, or
6 otherwise, in the business.

7 *c.* The location of the premises where the applicant intends
8 to operate.

9 *d.* The name of the owner of the premises and if the owner of
10 the premises is not the applicant, whether the applicant is the
11 actual lessee of the premises.

12 *e.* When required by the administrator, and in such form and
13 containing such information as the administrator may require,
14 a description of the premises where the applicant intends to
15 use the license, to include a sketch or drawing of the premises
16 and, if applicable, the number of square feet of interior floor
17 space which comprises the retail sales area of the premises.

18 *f.* Whether any person specified in paragraph "*b*" has ever
19 been convicted of any offense against the laws of the United
20 States, or any state or territory thereof, or any political
21 subdivision of any such state or territory.

22 *g.* Any other information as required by the administrator.

23 2. The retail alcohol license shall only be issued to an
24 applicant who establishes all of the following:

25 *a.* That the applicant has submitted a completed application
26 as required by subsection 1.

27 *b.* That the applicant is a person of good moral character as
28 provided in section 123.3, subsection 40.

29 *c.* That the applicant is a citizen of the state of Iowa
30 or, if a corporation, that the applicant is authorized to do
31 business in the state.

32 *d.* That the premises where the applicant intends to use the
33 license conforms to all applicable laws, health regulations,
34 and fire regulations, and constitutes a safe and proper place
35 or building and that the applicant shall not have or maintain

1 any interior access to residential or sleeping quarters unless
2 permission is granted by the administrator in the form of a
3 living quarters permit.

4 e. That the applicant gives consent to a person, pursuant
5 to section 123.30, subsection 1, to enter upon the premises
6 without a warrant during the business hours of the applicant
7 to inspect for violations of the provisions of this chapter or
8 ordinances and regulations that local authorities may adopt.

9 Sec. 3. NEW SECTION. 123.31A Authority under class "B",
10 class "C", special class "C", and class "E" retail alcohol
11 license.

12 1. The holder of a class "B", class "C", special class "C",
13 or class "E" retail alcohol license shall be allowed to sell
14 beer and wine to consumers at retail for consumption off the
15 premises. The sales made pursuant to this section shall be
16 made in original containers except as provided in subsection 3.

17 2. Every person holding a class "B", class "C", special
18 class "C", or class "E" retail alcohol license having more
19 than one place of business where beer and wine is sold which
20 places do not constitute a single premises within the meaning
21 of section 123.3, subsection 29, shall be required to have a
22 separate license for each separate place of business, except as
23 otherwise provided by this chapter.

24 3. Subject to the rules of the division, sales made pursuant
25 to this section may be made in a container other than the
26 original container only if all of the following requirements
27 are met:

28 a. The beer or wine is transferred from the original
29 container to the container to be sold on the licensed premises
30 at the time of sale.

31 b. The person transferring the beer or wine from the
32 original container to the container to be sold shall be
33 eighteen years of age or older.

34 c. The container to be sold shall be no larger than
35 seventy-two ounces.

1 *d.* The container to be sold shall be securely sealed by
2 a method authorized by the division that is designed so that
3 if the sealed container is reopened or the seal tampered with,
4 it is visibly apparent that the seal on the container of beer
5 or wine has been tampered with or the sealed container has
6 otherwise been reopened.

7 4. A container of beer or wine other than the original
8 container that is sold and sealed in compliance with the
9 requirements of subsection 3 and the division's rules shall
10 not be deemed an open container subject to the requirements
11 of sections 321.284 and 321.284A if the sealed container is
12 unopened and the seal has not been tampered with, and the
13 contents of the container have not been partially removed.

14 5. *a.* The holder of a class "C" or special class "C" retail
15 alcohol license, or the licensee's agents or employees, shall
16 not sell beer or wine to other retail alcohol license holders
17 knowing or having reasonable cause to believe that the beer
18 will be resold in another licensed establishment.

19 *b.* A holder of any retail alcohol permit shall not sell wine
20 except wine which is purchased from a person holding a class
21 "A" wine permit and on which the tax imposed by section 123.183
22 has been paid.

23 Sec. 4. NEW SECTION. 123.31B **Authority under special class**
24 **"B" retail native wine license.**

25 1. A person holding a special class "B" retail native wine
26 license may sell native wine only at retail for consumption off
27 the premises. Native wine shall be sold for consumption off
28 the premises in original containers.

29 2. A special class "B" retail native wine licensee having
30 more than one place of business where wine is sold shall obtain
31 a separate license for each place of business.

32 Sec. 5. REPEAL. Sections 123.128, 123.129, 123.131,
33 123.132, 123.140, 123.178, 123.178A, and 123.178B, Code 2022,
34 are repealed.

35 Sec. 6. EFFECTIVE DATE. This division of this Act takes

1 effect January 1, 2023.

2 DIVISION II

3 ALCOHOLIC BEVERAGE CONTROL FEES

4 Sec. 7. Section 123.23, subsection 1, Code 2022, is amended
5 to read as follows:

6 1. Any manufacturer, distiller, or importer of alcoholic
7 liquors shipping, selling, or having alcoholic liquors brought
8 into this state for resale by the state shall, as a condition
9 precedent to the privilege of so trafficking in alcoholic
10 liquors in this state, annually make application for and hold
11 a distiller's certificate of compliance which shall be issued
12 by the administrator for that purpose. No brand of alcoholic
13 liquor shall be sold by the division in this state unless
14 the manufacturer, distiller, importer, and all other persons
15 participating in the distribution of that brand in this state
16 have obtained a certificate. The certificate of compliance
17 shall expire at the end of one year from the date of issuance
18 and shall be renewed for a like period upon application to the
19 administrator unless otherwise suspended or revoked for cause.
20 Each completed application for a certificate of compliance
21 or renewal shall be submitted electronically, or in a manner
22 prescribed by the administrator, and shall be accompanied by
23 a fee of ~~fifty~~ two hundred dollars payable to the division.
24 However, this subsection need not apply to a manufacturer,
25 distiller, or importer who ships or sells in this state no more
26 than eleven gallons or its case equivalent during any fiscal
27 year as a result of "special orders" which might be placed,
28 as defined and allowed by divisional rules adopted under this
29 chapter.

30 Sec. 8. Section 123.36, Code 2022, is amended by striking
31 the section and inserting in lieu thereof the following:

32 **123.36 Retail alcohol license fees.**

33 1. The following fees shall be paid to the division annually
34 for retail alcohol licenses issued under section 123.30:

35 a. Class "B" retail alcohol license fees shall be determined

1 as follows:

2 (1) For premises located within the corporate limits of a
3 city with a population of two thousand five hundred or less, a
4 fee determined as follows:

5 (a) For a premises with a square footage of one thousand
6 five hundred or less, seventy-five dollars.

7 (b) For a premises with a square footage of more than one
8 thousand five hundred but not more than two thousand, one
9 hundred fifty dollars.

10 (c) For a premises with a square footage of more than two
11 thousand but not more than five thousand, two hundred fifty
12 dollars.

13 (d) For a premises with a square footage over five thousand,
14 three hundred fifty dollars.

15 (2) For premises located within the corporate limits of a
16 city with a population of more than two thousand five hundred
17 but less than fifteen thousand, a fee determined as follows:

18 (a) For a premises with a square footage of one thousand
19 five hundred or less, one hundred fifty dollars.

20 (b) For a premises with a square footage of more than one
21 thousand five hundred but not more than two thousand, two
22 hundred fifty dollars.

23 (c) For a premises with a square footage of more than two
24 thousand but not more than five thousand, three hundred fifty
25 dollars.

26 (d) For a premises with a square footage over five thousand,
27 five hundred dollars.

28 (3) For premises located within the corporate limits of
29 a city with a population of fifteen thousand or more, a fee
30 determined as follows:

31 (a) For a premises with a square footage of one thousand
32 five hundred or less, two hundred fifty dollars.

33 (b) For a premises with a square footage of more than one
34 thousand five hundred but not more than two thousand, three
35 hundred fifty dollars.

1 (c) For a premises with a square footage of more than two
2 thousand but not more than five thousand, five hundred dollars.

3 (d) For a premises with a square footage over five thousand,
4 seven hundred fifty dollars.

5 (4) For premises located outside the corporate limits of
6 any city, a fee equal to that charged to a premises with the
7 same square footage in the incorporated city located nearest
8 the premises to be licensed. If there is doubt as to which
9 of two or more differing corporate limits is the nearest, the
10 license fee which is the largest shall prevail. However, if
11 the premises is located in an unincorporated town, for purposes
12 of this paragraph, the unincorporated town shall be treated as
13 if it is a city.

14 b. Special class "B" retail native wine license fees shall
15 be one hundred twenty-five dollars.

16 c. Class "C" retail alcohol license fees shall be determined
17 as follows:

18 (1) Commercial establishments located within the corporate
19 limits of cities of two thousand five hundred population or
20 less, five hundred fifty dollars.

21 (2) Commercial establishments located within the corporate
22 limits of cities of over two thousand five hundred and less
23 than fifteen thousand population, nine hundred dollars.

24 (3) Commercial establishments located within the corporate
25 limits of cities of fifteen thousand population and over, one
26 thousand two hundred fifty dollars.

27 (4) Commercial establishments located outside the corporate
28 limits of any city, a fee equal to that charged in the
29 incorporated city located nearest the premises to be licensed,
30 and in case there is doubt as to which of two or more differing
31 corporate limits is the nearest, the license fee which is the
32 largest shall prevail. However, if a commercial establishment
33 is located in an unincorporated town, for purposes of this
34 paragraph, the unincorporated town shall be treated as if it
35 is a city.

1 *d.* Special class "C" retail alcohol license fees shall be
2 determined as follows:

3 (1) Commercial establishments located within the corporate
4 limits of cities of two thousand five hundred population or
5 less, one hundred fifty dollars.

6 (2) Commercial establishments located within the corporate
7 limits of cities of over two thousand five hundred and less
8 than fifteen thousand population, three hundred dollars.

9 (3) Commercial establishments located within the corporate
10 limits of cities of fifteen thousand population and over, four
11 hundred fifty dollars.

12 (4) Commercial establishments located outside the corporate
13 limits of any city, a fee equal to that charged in the
14 incorporated city located nearest the premises to be licensed,
15 and in case there is doubt as to which of two or more differing
16 corporate limits is the nearest, the license fee which is the
17 largest shall prevail. However, if a commercial establishment
18 is located in an unincorporated town, for purposes of this
19 paragraph, the unincorporated town shall be treated as if it
20 is a city.

21 *e.* Class "D" retail alcohol license fees shall be determined
22 as follows:

23 (1) For watercraft, one hundred fifty dollars.

24 (2) For trains, five hundred dollars.

25 (3) For air common carriers, each company shall pay five
26 hundred dollars.

27 *f.* Class "E" retail alcohol license fees shall be determined
28 as follows:

29 (1) For premises located within the corporate limits of a
30 city with a population of two thousand five hundred or less, a
31 fee determined as follows:

32 (a) For a premises with a square footage of one thousand
33 five hundred or less, seven hundred fifty dollars.

34 (b) For a premises with a square footage of more than one
35 thousand five hundred but not more than two thousand, one

1 thousand five hundred dollars.

2 (c) For a premises with a square footage of more than two
3 thousand but not more than five thousand, two thousand five
4 hundred dollars.

5 (d) For a premises with a square footage over five thousand,
6 three thousand five hundred dollars.

7 (2) For premises located within the corporate limits of a
8 city with a population of more than two thousand five hundred
9 but less than fifteen thousand, a fee determined as follows:

10 (a) For a premises with a square footage of one thousand
11 five hundred or less, one thousand five hundred dollars.

12 (b) For a premises with a square footage of more than one
13 thousand five hundred but not more than two thousand, two
14 thousand five hundred dollars.

15 (c) For a premises with a square footage of more than two
16 thousand but not more than five thousand, three thousand five
17 hundred dollars.

18 (d) For a premises with a square footage over five thousand,
19 five thousand dollars.

20 (3) For premises located within the corporate limits of
21 a city with a population of fifteen thousand or more, a fee
22 determined as follows:

23 (a) For a premises with a square footage of one thousand
24 five hundred or less, two thousand five hundred dollars.

25 (b) For a premises with a square footage of more than one
26 thousand five hundred but not more than two thousand, three
27 thousand five hundred dollars.

28 (c) For a premises with a square footage of more than
29 two thousand but not more than five thousand, five thousand
30 dollars.

31 (d) For a premises with a square footage over five thousand,
32 seven thousand five hundred dollars.

33 (4) For premises located outside the corporate limits of
34 any city, a fee equal to that charged to a premises with the
35 same square footage in the incorporated city located nearest

1 the premises to be licensed. If there is doubt as to which
2 of two or more differing corporate limits is the nearest, the
3 license fee which is the largest shall prevail. However, if
4 the premises is located in an unincorporated town, for purposes
5 of this paragraph, the unincorporated town shall be treated as
6 if it is a city.

7 *g.* Class "F" retail alcohol license fees shall be six
8 hundred dollars, except that for class "F" licenses in cities
9 of less than two thousand population, and for clubs of less
10 than two hundred fifty members, the license fee shall be four
11 hundred dollars; however, the fee shall be two hundred dollars
12 for any club which is a post, branch, or chapter of a veterans
13 organization chartered by the Congress of the United States, if
14 the club does not sell or permit the consumption of alcoholic
15 beverages on the premises more than one day in any week or
16 more than a total of fifty-two days in a year, and if the
17 application for a license states that the club does not and
18 will not sell or permit the consumption of alcoholic beverages
19 on the premises more than one day in any week or more than a
20 total of fifty-two days in a year.

21 2. The division shall credit all fees to the beer and liquor
22 control fund. The division shall remit to the appropriate
23 local authority a sum equal to sixty-five percent of the fees
24 collected for each class "B", class "C", or class "F" license
25 except special class "C" licenses or class "E" licenses,
26 covering premises located within the local authority's
27 jurisdiction. The division shall remit to the appropriate
28 local authority a sum equal to seventy-five percent of the fees
29 collected for each special class "C" license covering premises
30 located within the local authority's jurisdiction. Those fees
31 collected for each class "E" retail alcohol license shall be
32 credited to the beer and liquor control fund.

33 3. There is imposed a surcharge on the fee for each class
34 "C", special class "C", or class "F" retail alcohol license
35 equal to thirty percent of the scheduled license fee. The

1 surcharges collected under this subsection shall be deposited
2 in the beer and liquor control fund, and notwithstanding
3 subsection 2, no portion of the surcharges collected under this
4 subsection shall be remitted to the local authority.

5 Sec. 9. Section 123.41, subsection 1, Code 2022, is amended
6 to read as follows:

7 1. Each completed application to obtain or renew a
8 manufacturer's license shall be submitted to the division
9 electronically, or in a manner prescribed by the administrator,
10 and shall be accompanied by a fee of three hundred fifty
11 dollars payable to the division. The administrator may in
12 accordance with [this chapter](#) grant and issue to a manufacturer
13 a manufacturer's license, valid for a one-year period after
14 date of issuance, which shall allow the manufacture, storage,
15 and wholesale disposition and sale of alcoholic liquors to the
16 division and to customers outside of the state.

17 Sec. 10. Section 123.43, subsection 3, Code 2022, is amended
18 to read as follows:

19 3. A class "A" native distilled spirits license for a native
20 distillery shall be issued and renewed annually upon payment of
21 a fee of five three hundred dollars.

22 Sec. 11. Section 123.134, Code 2022, is amended by striking
23 the section and inserting in lieu thereof the following:

24 **123.134 Beer permit fees.**

25 1. The annual permit fee for a class "A" beer permit is
26 seven hundred fifty dollars.

27 2. The annual permit fee for a class "A" beer permit for a
28 native brewery is three hundred dollars.

29 3. The annual permit fee for a special class "A" beer permit
30 is three hundred dollars.

31 Sec. 12. Section 123.135, subsection 1, Code 2022, is
32 amended to read as follows:

33 1. A manufacturer, brewer, bottler, importer, or vendor of
34 beer, or any agent thereof, desiring to ship or sell beer, or
35 have beer brought into this state for resale by a class "A"

1 beer permittee, shall first make application for and be issued
 2 a brewer's certificate of compliance by the administrator for
 3 that purpose. The certificate of compliance expires at the
 4 end of one year from the date of issuance and shall be renewed
 5 for a like period upon application to the administrator unless
 6 otherwise revoked for cause. Each completed application for
 7 a certificate of compliance or renewal of a certificate shall
 8 be submitted electronically, or in a manner prescribed by the
 9 administrator, and shall be accompanied by a fee of five two
 10 hundred dollars payable to the division. Each holder of a
 11 certificate of compliance shall furnish the information in a
 12 manner the administrator requires.

13 Sec. 13. Section 123.179, Code 2022, is amended by striking
 14 the section and inserting in lieu thereof the following:

15 **123.179 Wine permit and license fees.**

16 1. The annual permit fee for a class "A" wine permit that
 17 is not issued to a native wine manufacturer is seven hundred
 18 fifty dollars.

19 2. The annual permit fee for a class "A" wine permit issued
 20 to a native wine manufacturer is one hundred dollars.

21 3. The fee for a charity beer, spirits, and wine special
 22 event license is one hundred dollars.

23 Sec. 14. Section 123.180, subsection 1, Code 2022, is
 24 amended to read as follows:

25 1. A manufacturer, vintner, bottler, importer, or vendor of
 26 wine, or an agent thereof, desiring to ship, sell, or have wine
 27 brought into this state for sale at wholesale by a class "A"
 28 permittee shall first make application for and shall be issued
 29 a vintner's certificate of compliance by the administrator
 30 for that purpose. The vintner's certificate of compliance
 31 shall expire at the end of one year from the date of issuance
 32 and shall be renewed for a like period upon application to
 33 the administrator unless otherwise revoked for cause. Each
 34 completed application for a vintner's certificate of compliance
 35 or renewal of a certificate shall be submitted electronically,

1 or in a manner prescribed by the administrator, and shall be
 2 accompanied by a fee of ~~one~~ two hundred dollars payable to the
 3 division. Each holder of a vintner's certificate of compliance
 4 shall furnish the information required by the administrator in
 5 the form the administrator requires. A vintner or wine bottler
 6 whose plant is located in Iowa and who otherwise holds a class
 7 "A" wine permit to sell wine at wholesale is exempt from the
 8 fee, but not the other terms and conditions. The holder of a
 9 vintner's certificate of compliance may also hold a class "A"
 10 wine permit.

11 Sec. 15. EFFECTIVE DATE. This division of this Act takes
 12 effect January 1, 2023.

13 DIVISION III

14 ALCOHOLIC BEVERAGE CONTROL

15 Sec. 16. Section 123.3, subsections 9, 22, 29, and 30, Code
 16 2022, are amended to read as follows:

17 9. "*Brewpub*" means a commercial establishment authorized to
 18 sell beer at retail for consumption on or off the premises that
 19 is operated by a person who holds a class "C" ~~liquor control or~~
 20 special class "C" retail alcohol license ~~or a class "B" beer~~
 21 ~~permit~~ and who also holds a special class "A" beer permit that
 22 authorizes the holder to manufacture and sell beer pursuant to
 23 this chapter.

24 22. "*High alcoholic content beer*" means beer which contains
 25 more than six and twenty-five hundredths percent of alcohol by
 26 volume, but not more than ~~fifteen~~ nineteen percent of alcohol
 27 by volume, that is made by the fermentation of an infusion
 28 in potable water of barley, malt, and hops, with or without
 29 unmalted grains or decorticated and degerminated grains. Not
 30 more than one and five-tenths percent of the volume of a "*high*
 31 *alcoholic content beer*" may consist of alcohol derived from
 32 added flavors and other nonbeverage ingredients containing
 33 alcohol. The added flavors and other nonbeverage ingredients
 34 may not include added caffeine or other added stimulants
 35 including but not limited to guarana, ginseng, and taurine.

1 29. "*Licensed premises*" or "*premises*" means all rooms,
2 enclosures, contiguous areas, or places susceptible of precise
3 description satisfactory to the administrator where alcoholic
4 beverages, wine, or beer is sold or consumed under authority of
5 a ~~liquor control~~ retail alcohol license, wine permit, or beer
6 permit. A single licensed premises may consist of multiple
7 rooms, enclosures, areas, or places if they are wholly within
8 the confines of a single building or contiguous grounds.

9 30. "*Local authority*" means the city council of any
10 incorporated city in this state, or the county board of
11 supervisors of any county in this state, which is empowered by
12 this chapter to approve or deny applications for retail ~~beer or~~
13 ~~wine permits and liquor control~~ alcohol licenses; empowered to
14 recommend that such ~~permits or~~ licenses be granted and issued
15 by the division; and empowered to take other actions reserved
16 to them by [this chapter](#).

17 Sec. 17. Section 123.3, subsection 40, paragraph b, Code
18 2022, is amended to read as follows:

19 b. The person is not prohibited by [section 123.40](#) from
20 obtaining a ~~liquor control~~ retail alcohol license or a wine or
21 beer permit.

22 Sec. 18. Section 123.3, subsection 45, Code 2022, is amended
23 by striking the subsection and inserting in lieu thereof the
24 following:

25 45. "*Retail alcohol license*" means a class "B", class "C",
26 special class "C", class "D", class "E", or class "F" retail
27 alcohol license, or a special class "B" retail native wine
28 license issued under this chapter.

29 Sec. 19. Section 123.3, subsection 46, Code 2022, is amended
30 by striking the subsection.

31 Sec. 20. Section 123.9, subsections 5 and 7, Code 2022, are
32 amended to read as follows:

33 5. To grant and issue beer permits, wine permits, ~~liquor~~
34 ~~control~~ retail alcohol licenses, and other licenses; and to
35 suspend or revoke all such permits and licenses for cause under

1 this chapter.

2 7. To accept alcoholic liquors ordered delivered to the
3 alcoholic beverages division pursuant to [chapter 809A](#), and
4 offer for sale and deliver the alcoholic liquors to class
5 "E" ~~liquor control~~ retail alcohol licensees, unless the
6 administrator determines that the alcoholic liquors may be
7 adulterated or contaminated. If the administrator determines
8 that the alcoholic liquors may be adulterated or contaminated,
9 the administrator shall order their destruction.

10 Sec. 21. Section 123.10, subsections 3, 6, and 14, Code
11 2022, are amended to read as follows:

12 3. Regulating the purchase of alcoholic liquor generally
13 and the furnishing of the liquor to class "E" ~~liquor control~~
14 retail alcohol licensees under [this chapter](#), and determining
15 the classes, varieties, and brands of alcoholic liquors to be
16 kept in state warehouses.

17 6. Providing for the issuance and electronic distribution
18 of price lists which show the price to be paid by class "E"
19 ~~liquor control~~ retail alcohol licensees for each brand,
20 class, or variety of liquor kept for sale by the division,
21 providing for the filing or posting of prices charged in sales
22 between class "A" beer and class "A" wine permit holders and
23 retailers, as provided in [this chapter](#), and establishing or
24 controlling the prices based on minimum standards of fill,
25 quantity, or alcoholic content for each individual sale of
26 alcoholic beverages as deemed necessary for retail or consumer
27 protection. However, the division shall not regulate markups,
28 prices, discounts, allowances, or other terms of sale at which
29 alcoholic liquor may be purchased by the retail public or
30 ~~liquor control~~ retail alcohol licensees from class "E" ~~liquor~~
31 ~~control~~ retail alcohol licensees or at which wine may be
32 purchased and sold by class "A" and retail wine permittees, or
33 change, nullify, or vary the terms of an agreement between a
34 holder of a vintner certificate of compliance and a class "A"
35 wine permittee.

1 14. Prescribing the uniform fee to be assessed against
 2 a class "B" beer permittee, class "C" native wine permittee,
 3 ~~or liquor control~~ retail alcohol licensee, except a class
 4 "B", special class "B", or class "E" ~~liquor control~~ retail
 5 alcohol licensee, to cover the administrative costs incurred
 6 by the division resulting from the failure of the licensee ~~or~~
 7 permittee to maintain dramshop liability insurance coverage
 8 pursuant to [section 123.92, subsection 2](#), paragraph "a".

9 Sec. 22. Section 123.15, Code 2022, is amended to read as
 10 follows:

11 **123.15 Favors from licensee or permittee.**

12 A person responsible for the administration or enforcement
 13 of [this chapter](#) shall not accept or solicit donations,
 14 gratuities, political advertising, gifts, or other favors,
 15 directly or indirectly, from any ~~liquor control~~ retail alcohol
 16 licensee, wine permittee, or beer permittee.

17 Sec. 23. Section 123.16, subsections 6 and 7, Code 2022, are
 18 amended to read as follows:

19 6. The number of ~~liquor control~~ retail alcohol licenses,
 20 wine permits, and beer permits issued, by class, the number in
 21 effect on the last day included in the report, and the number
 22 which have been suspended or revoked during the period covered
 23 by the report.

24 7. Amount of fees paid to the division from ~~liquor control~~
 25 retail alcohol licenses, wine permits, and beer permits, in
 26 gross, and the amount of ~~liquor control~~ retail alcohol license
 27 fees returned to local subdivisions of government as provided
 28 under [this chapter](#).

29 Sec. 24. Section 123.22, subsection 1, Code 2022, is amended
 30 to read as follows:

31 1. The division has the exclusive right of importation
 32 into the state of all forms of alcoholic liquor, except as
 33 otherwise provided in [this chapter](#), and a person shall not
 34 import alcoholic liquor, except that an individual of legal age
 35 may import and have in the individual's possession an amount of

1 alcoholic liquor not exceeding nine liters per calendar month
 2 that the individual personally obtained outside the state.
 3 Alcoholic liquor imported by an individual pursuant to this
 4 subsection shall be for personal consumption only in a private
 5 home or other private accommodation. A distillery shall not
 6 sell alcoholic liquor within the state to any person but only
 7 to the division, except as otherwise provided in [this chapter](#).
 8 This section vests in the division exclusive control within the
 9 state as purchaser of all alcoholic liquor sold by distilleries
 10 within the state or imported, except beer and wine, and except
 11 as otherwise provided in [this chapter](#). The division shall
 12 receive alcoholic liquor on a bailment system for resale by the
 13 division in the manner set forth in [this chapter](#). The division
 14 shall act as the sole wholesaler of alcoholic liquor to class
 15 "E" ~~liquor control~~ retail alcohol licensees.

16 Sec. 25. Section 123.24, Code 2022, is amended to read as
 17 follows:

18 **123.24 Alcoholic liquor sales by the division — dishonored**
 19 **payments — liquor prices.**

20 1. The division shall sell alcoholic liquor at wholesale
 21 only. The division shall sell alcoholic liquor to class "E"
 22 ~~liquor control~~ retail alcohol licensees only. The division
 23 shall offer the same price on alcoholic liquor to all class "E"
 24 ~~liquor control~~ retail alcohol licensees without regard for the
 25 quantity of purchase or the distance for delivery.

26 2. The price of alcoholic liquor sold by the division shall
 27 consist of the following:

28 a. The manufacturer's price.

29 b. A markup of up to fifty percent of the wholesale price
 30 paid by the division for the alcoholic liquor. The division
 31 may increase the markup on selected kinds of alcoholic liquor
 32 sold by the division if the average return to the division on
 33 all sales of alcoholic liquor does not exceed the wholesale
 34 price paid by the division and the fifty percent markup.

35 c. A split case charge in an amount determined by the

1 division when alcoholic liquor is sold in quantities which
2 require a case to be split.

3 *d.* A bottle surcharge in an amount sufficient, when added
4 to the amount not refunded to class "E" ~~liquor control~~ retail
5 alcohol licensees pursuant to [section 455C.2](#), to pay the costs
6 incurred by the division for collecting and properly disposing
7 of the liquor containers. The amount collected pursuant to
8 this paragraph, in addition to any amounts not refunded to
9 class "E" ~~liquor control~~ retail alcohol licensees pursuant
10 to [section 455C.2](#), shall be deposited in the beer and liquor
11 control fund established under [section 123.17](#).

12 3. *a.* The division may accept from a class "E" ~~liquor~~
13 ~~control~~ retail alcohol licensee electronic funds transferred
14 by automated clearing house, wire transfer, or another method
15 deemed acceptable by the administrator, in payment of alcoholic
16 liquor. If a payment is subsequently dishonored, the division
17 shall cause a notice of nonpayment and penalty to be served
18 upon the class "E" ~~liquor control~~ retail alcohol licensee or
19 upon any person in charge of the licensed premises. The notice
20 shall state that if payment or satisfaction for the dishonored
21 payment is not made within ten days of the service of notice,
22 the licensee's ~~liquor control~~ retail alcohol license may be
23 suspended under [section 123.39](#). The notice of nonpayment and
24 penalty shall be in a form prescribed by the administrator, and
25 shall be sent by certified mail.

26 *b.* If upon notice and hearing under [section 123.39](#) and
27 pursuant to the provisions of [chapter 17A](#) concerning a
28 contested case hearing, the administrator determines that the
29 class "E" ~~liquor control~~ retail alcohol licensee failed to
30 satisfy the obligation for which the payment was issued within
31 ten days after the notice of nonpayment and penalty was served
32 on the licensee as provided in paragraph "a" of [this subsection](#),
33 the administrator may suspend the licensee's class "E" ~~liquor~~
34 ~~control~~ retail alcohol license for a period not to exceed ten
35 days.

1 4. The administrator may refuse to sell alcoholic liquor
2 to a class "E" ~~liquor control~~ retail alcohol licensee who
3 tenders a payment which is subsequently dishonored until the
4 outstanding obligation is satisfied.

5 Sec. 26. Section 123.26, Code 2022, is amended to read as
6 follows:

7 **123.26 Restrictions on sales — seals — labeling.**

8 Alcoholic liquor shall not be sold by a class "E" ~~liquor~~
9 ~~control~~ retail alcohol licensee except in a sealed container
10 with identifying markers as prescribed by the administrator
11 and affixed in the manner prescribed by the administrator, and
12 no such container shall be opened upon the premises of a state
13 warehouse. The division shall cooperate with the department
14 of natural resources so that only one identifying marker or
15 mark is needed to satisfy the requirements of [this section](#) and
16 section 455C.5, subsection 1. Possession of alcoholic liquors
17 which do not carry the prescribed identifying markers is a
18 violation of [this chapter](#) except as provided in [section 123.22](#).

19 Sec. 27. Section 123.28, subsections 2 and 5, Code 2022, are
20 amended to read as follows:

21 2. The division shall deliver alcoholic liquor purchased by
22 class "E" ~~liquor control~~ retail alcohol licensees. Class "E"
23 ~~liquor control~~ retail alcohol licensees may deliver alcoholic
24 liquor purchased by class "A", class "B", class "C", class "C"
25 ~~native distilled spirits, or class "D" liquor control, or class~~
26 ~~"F" retail alcohol~~ licensees, and class "A", class "B", class
27 "C", class "C" ~~native distilled spirits, or class "D" liquor~~
28 ~~control, or class "F" retail alcohol~~ licensees may transport
29 alcoholic liquor purchased from class "E" ~~liquor control~~ retail
30 alcohol licensees.

31 5. [This section](#) does not affect the right of a ~~liquor~~
32 ~~control~~ retail alcohol license holder to purchase, possess, or
33 transport alcoholic liquors subject to [this chapter](#).

34 Sec. 28. Section 123.32, Code 2022, is amended to read as
35 follows:

1 **123.32 Action by local authorities and division on**
2 **applications for ~~liquor control~~ retail alcohol licenses, native**
3 **distilled spirits licenses, and wine and beer permits.**

4 1. *Filing of application.*

5 a. A completed application for a class "A", class "B", class
6 "C", special class "C", class "C" native distilled spirits, or
7 class "E" ~~liquor control~~ retail alcohol license as provided
8 in [section 123.31](#), for a retail beer permit as provided in
9 [sections 123.128](#) and [123.129](#), or for a class "B", class "B"
10 native, or class "C" native retail wine permit as provided in
11 [section 123.175](#) except a class "D" retail alcohol license,
12 shall be filed with the appropriate city council if the
13 premises for which the license or permit is sought are located
14 within the corporate limits of a city, or with the board of
15 supervisors if the premises for which the license or permit is
16 sought are located outside the corporate limits of a city.

17 b. A completed application for a class "D" ~~liquor~~
18 ~~control~~ retail alcohol license and for any of the following
19 certificates, licenses, or permits shall be submitted to the
20 division electronically, or in a manner prescribed by the
21 administrator, which shall proceed in the same manner as in the
22 case of an application approved by local authorities:

23 (1) A certificate of compliance as provided in sections
24 123.23, [123.135](#), and [123.180](#).

25 (2) A class "D" ~~liquor control~~ retail alcohol license as
26 provided in [section 123.31](#).

27 (3) A manufacturer's license as provided in [section 123.41](#).

28 (4) A broker's permit as provided in [section 123.42](#).

29 (5) A class "A" native distilled spirits license as provided
30 in [section 123.43](#).

31 (6) A class "A" or special class "A" beer permit as provided
32 in [section 123.127](#).

33 (7) A charity beer, spirits, and wine ~~auction permit~~ special
34 event license as provided in [section 123.173A](#).

35 ~~(8) A charity beer, spirits, and wine event permit as~~

1 ~~provided in section 123.173B.~~

2 ~~(9)~~ (8) A class "A" wine permit as provided in section
3 123.175.

4 ~~(10)~~ (9) A wine direct shipper's permit as provided in
5 section 123.187.

6 ~~(11)~~ (10) A wine carrier permit as provided in section
7 123.188.

8 2. *Action by local authorities.* The local authority shall
9 either approve or disapprove the issuance of a ~~liquor control~~
10 retail alcohol license, ~~a retail wine permit, or a retail~~
11 ~~beer permit,~~ shall endorse its approval or disapproval on
12 the application, and shall forward the application with the
13 necessary fee and bond, if required, to the division. There
14 is no limit upon the number of ~~liquor control~~ retail alcohol
15 ~~licenses, retail wine permits, or retail beer permits~~ which may
16 be approved for issuance by local authorities.

17 3. *Licensed premises for local events.* A local authority
18 may define, by motion of the local authority, licensed premises
19 which shall be used by holders of ~~liquor control~~ retail alcohol
20 ~~licenses, beer permits, and wine permits~~ at festivals, fairs,
21 or celebrations which are sponsored or authorized by the local
22 authority. The licensed premises defined by motion of the
23 local authority shall be used by the holders of five-day or
24 fourteen-day ~~class "A", class "B", class "C", special class~~
25 ~~"C", or class "D" liquor control, or class "F" retail alcohol~~
26 ~~licenses, or five-day or fourteen-day class "B" or class "C"~~
27 ~~native wine permits, or class "B" beer permits only.~~

28 4. *Security employee training.* A local authority, as a
29 condition of obtaining and holding a license ~~or permit~~ for
30 on-premises consumption, may require a designated security
31 employee as defined in [section 123.3](#) to be trained and
32 certified in security methods. The training shall include but
33 is not limited to de-escalation techniques, anger management
34 techniques, civil rights or unfair practices awareness as
35 provided in [section 216.7](#), recognition of fake or altered

1 identification, information on laws applicable to the serving
2 of alcohol at a licensed premises, use of force and techniques
3 for safely removing patrons, and instruction on the proper
4 physical restraint methods used against a person who has become
5 combative.

6 5. *Occupancy rates.* A local authority located in a county
7 with a population that exceeds three hundred thousand persons,
8 as a condition of obtaining and holding a license ~~or permit~~
9 for on-premises consumption, shall require the applicant, or
10 licensee, ~~or permittee~~ to provide, and update if necessary, the
11 occupancy rate of the licensed premises.

12 6. *Action by administrator.*

13 a. Upon receipt of an application having been disapproved
14 by the local authority, the administrator shall notify the
15 applicant that the applicant may appeal the disapproval of
16 the application to the administrator. The applicant shall
17 be notified by certified mail or personal service, and the
18 application, the fee, and any bond shall be returned to the
19 applicant.

20 b. Upon receipt of an application having been approved by
21 the local authority, the division shall make an investigation
22 as the administrator deems necessary to determine that
23 the applicant complies with all requirements for holding a
24 license ~~or permit~~, and may require the applicant to appear
25 to be examined under oath to demonstrate that the applicant
26 complies with all of the requirements to hold a license
27 ~~or permit~~. If the administrator requires the applicant to
28 appear and to testify under oath, a record shall be made of
29 all testimony or evidence and the record shall become a part
30 of the application. The administrator may appoint a member
31 of the division or may request an administrative law judge
32 of the department of inspections and appeals to receive the
33 testimony under oath and evidence, and to issue a proposed
34 decision to approve or disapprove the application for a license
35 ~~or permit~~. The administrator may affirm, reverse, or modify

1 the proposed decision to approve or disapprove the application
 2 for the license ~~or permit~~. If the application is approved
 3 by the administrator, the license ~~or permit~~ shall be issued.
 4 If the application is disapproved by the administrator, the
 5 applicant shall be so notified by certified mail or personal
 6 service and the appropriate local authority shall be notified
 7 electronically, or in a manner prescribed by the administrator.

8 7. *Appeal to administrator.* An applicant for a ~~liquor~~
 9 ~~control retail alcohol license, wine permit, or beer permit~~ may
 10 appeal from the local authority's disapproval of an application
 11 for a license or permit to the administrator. In the appeal
 12 the applicant shall be allowed the opportunity to demonstrate
 13 in an evidentiary hearing conducted pursuant to [chapter 17A](#)
 14 that the applicant complies with all of the requirements for
 15 holding the license or permit. The administrator may appoint
 16 a member of the division or may request an administrative law
 17 judge from the department of inspections and appeals to conduct
 18 the evidentiary hearing and to render a proposed decision to
 19 approve or disapprove the issuance of the license or permit.
 20 The administrator may affirm, reverse, or modify the proposed
 21 decision. If the administrator determines that the applicant
 22 complies with all of the requirements for holding a license
 23 or permit, the administrator shall order the issuance of the
 24 license or permit. If the administrator determines that the
 25 applicant does not comply with the requirements for holding
 26 a license or permit, the administrator shall disapprove the
 27 issuance of the license or permit.

28 8. *Judicial review.* The applicant or the local authority
 29 may seek judicial review of the action of the administrator
 30 in accordance with the terms of the Iowa administrative
 31 procedure Act, [chapter 17A](#). Notwithstanding the terms of the
 32 Iowa administrative procedure Act, [chapter 17A](#), petitions
 33 for judicial review may be filed in the district court of
 34 the county where the premises covered by the application are
 35 situated.

1 9. *Suspension by local authority.* A ~~liquor control retail~~
 2 alcohol licensee ~~or a wine or beer permittee~~ whose license
 3 ~~or permit~~ has been suspended or revoked or a civil penalty
 4 imposed by a local authority for a violation of **this chapter**
 5 or suspended by a local authority for violation of a local
 6 ordinance may appeal the suspension, revocation, or civil
 7 penalty to the administrator. The administrator may appoint
 8 a member of the division or may request an administrative law
 9 judge from the department of inspections and appeals to hear
 10 the appeal which shall be conducted in accordance with chapter
 11 17A and to issue a proposed decision. The administrator may
 12 review the proposed decision upon the motion of a party to the
 13 appeal or upon the administrator's own motion in accordance
 14 with **chapter 17A**. Upon review of the proposed decision, the
 15 administrator may affirm, reverse, or modify the proposed
 16 decision. A ~~liquor control retail alcohol~~ licensee, ~~wine or~~
 17 ~~beer permittee~~, or a local authority aggrieved by a decision
 18 of the administrator may seek judicial review of the decision
 19 pursuant to **chapter 17A**.

20 Sec. 29. Section 123.34, Code 2022, is amended to read as
 21 follows:

22 **123.34 ~~Expiration of licenses, permits, and certificates~~**
 23 **~~of compliance — seasonal~~ Seasonal, fourteen-day, and five-day**
 24 **~~licenses and permits — fees.~~**

25 ~~1. All licenses, permits, and certificates of compliance,~~
 26 ~~unless sooner suspended or revoked, expire one year from date~~
 27 ~~of issuance. The administrator shall notify a license, permit,~~
 28 ~~or certificate holder electronically, or in a manner prescribed~~
 29 ~~by the administrator, sixty days prior to the expiration of~~
 30 ~~each license, permit, or certificate.~~

31 ~~2. 1. a.~~ The administrator may issue ~~six-month or~~
 32 ~~eight-month seasonal~~ class "A", class "B", class "C", special
 33 class "C", and class "D" ~~liquor control and class "F" retail~~
 34 alcohol licenses, class "B" wine permits, class "B" or class
 35 "C" native wine permits, or class "B" beer permits.

1 ~~b. The fee for a six-month or an~~ eight-month seasonal
 2 license ~~or permit~~ issued pursuant to ~~this subsection~~ shall be
 3 ~~for a proportionate part~~ fifty percent of the license ~~or permit~~
 4 fee for that class of license ~~or permit~~. However, ~~the fee for~~
 5 ~~a seasonal class "B" native wine permit shall be the permit fee~~
 6 ~~provided in section 123.179, subsection 4,~~ and the fee for a
 7 seasonal class "C" native wine permit shall be the permit fee
 8 ~~provided in section 123.179, subsection 5.~~

9 ~~3. 2. a. The administrator may issue fourteen-day class~~
 10 ~~"A", class "B", class "C", special class "C", and class "D"~~
 11 ~~liquor control and class "F" retail alcohol licenses, and~~
 12 ~~fourteen-day class "B" beer permits, class "B" native wine~~
 13 ~~permits, and class "C" native wine permits.~~

14 ~~b. A fourteen-day retail alcohol license or permit, if~~
 15 ~~granted, is valid for fourteen consecutive days, but the holder~~
 16 ~~shall not sell on the two Sundays in the fourteen-day period~~
 17 ~~unless the holder qualifies for and obtains the privilege to~~
 18 ~~sell on Sundays contained in section 123.36, subsection 6, and~~
 19 ~~section 123.134, subsection 4.~~

20 ~~c. (1) The fee for a fourteen-day liquor control retail~~
 21 ~~alcohol license or beer permit is one quarter of the annual fee~~
 22 ~~for that class of liquor control retail alcohol license or beer~~
 23 ~~permit. The fee for the privilege to sell on the two Sundays in~~
 24 ~~the fourteen-day period is twenty percent of the price of the~~
 25 ~~fourteen-day liquor control license or beer permit.~~

26 ~~(2) The fee for a fourteen-day class "B" native wine permit~~
 27 ~~shall be the permit fee provided in section 123.179, subsection~~
 28 ~~4, and the fee for a fourteen-day class "C" native wine permit~~
 29 ~~is the permit fee provided in section 123.179, subsection 5.~~

30 ~~4. 3. a. The administrator may issue five-day class "A",~~
 31 ~~class "B", class "C", special class "C", and class "D" liquor~~
 32 ~~control, and class "F" retail alcohol licenses, and five-day~~
 33 ~~class "B" beer permits, class "B" native wine permits, and~~
 34 ~~class "C" native wine permits.~~

35 ~~b. A five-day retail alcohol license or permit is valid for~~

1 five consecutive days, ~~but the holder shall not sell alcoholic~~
 2 ~~beverages on Sunday in the five-day period unless the holder~~
 3 ~~qualifies for and obtains the privilege to sell on Sunday~~
 4 ~~pursuant to section 123.36, subsection 6, and section 123.134,~~
 5 ~~subsection 4.~~

6 c. (1) The fee for the five-day liquor control retail
 7 alcohol license or beer permit is one-eighth of the annual fee
 8 for that class of license or permit. ~~The fee for the privilege~~
 9 ~~to sell on a Sunday in the five-day period is ten percent of the~~
 10 ~~price of the five-day liquor control license or beer permit.~~

11 (2) ~~The fee for a five-day class "B" native wine permit~~
 12 ~~shall be the permit fee provided in section 123.179, subsection~~
 13 ~~4, and the fee for a five-day class "C" native wine permit is~~
 14 ~~the permit fee provided in section 123.179, subsection 5.~~

15 5. 4. A refund of fees paid shall not be made for seasonal
 16 licenses or permits, or for fourteen-day or five-day liquor
 17 control retail alcohol licenses, ~~native wine permits, or beer~~
 18 ~~permits.~~ In addition, a seasonal, fourteen-day, or five-day
 19 license or permit shall not be renewed.

20 Sec. 30. NEW SECTION. 123.35 Expiration of licenses,
 21 permits, and certificates of compliance — automatic renewals.

22 1. Except as otherwise provided by this chapter, all
 23 licenses, permits, and certificates of compliance, unless
 24 sooner suspended or revoked, expire one year from date of
 25 issuance.

26 2. Notwithstanding section 123.31 and any other provision
 27 of this chapter to the contrary, a class "E" retail alcohol
 28 license shall automatically renew without the endorsement
 29 of a local authority or approval by the administrator upon
 30 collection of the annual fee by the division, provided all of
 31 the following conditions are met since the preceding license
 32 was issued:

33 a. The licensee has given written consent to the division
 34 to have the license automatically renewed as provided in this
 35 section.

- 1 *b.* The license has not been suspended or revoked.
- 2 *c.* A civil penalty has not been imposed against the
3 licensee.
- 4 *d.* An administrative proceeding is not pending against the
5 licensee to suspend or revoke the license or to impose a civil
6 penalty under this chapter.
- 7 *e.* The licensee has not submitted payment for alcoholic
8 liquor to the division that was subsequently dishonored.
- 9 *f.* The licensee and all persons associated with the licensee
10 as described in section 123.3, subsection 40, paragraph "e",
11 have not been convicted of a violation of this chapter.
- 12 *g.* The licensed premises constitutes a safe and proper place
13 or building and conforms with all applicable federal, state,
14 and local laws, orders, ordinances, rules, resolutions, and
15 health and fire regulations.
- 16 *h.* A local authority has not notified the division, in
17 a manner established by the division and made available to
18 local authorities, that automatic renewal should not occur and
19 that further review of the licensee by the division and the
20 applicable local authority is warranted.
- 21 3. Notwithstanding sections 123.23, 123.135, 123.180,
22 and any other provision of this chapter to the contrary, a
23 distiller's, brewer's, or vintner's certificate of compliance
24 shall automatically renew without approval by the administrator
25 upon collection of the annual fee by the division, provided
26 all of the following conditions are met since the preceding
27 certificate was issued:
- 28 *a.* The certificate holder has given written consent to
29 the division to have the certificate automatically renewed as
30 provided in this section.
- 31 *b.* The certificate has not been suspended or revoked.
- 32 *c.* A civil penalty has not been imposed against the
33 certificate holder.
- 34 *d.* An administrative proceeding is not pending against the
35 certificate holder to suspend or revoke the certificate or to

1 impose a civil penalty under this chapter.

2 *e.* The certificate holder and all persons associated
3 with the certificate holder as described in section 123.3,
4 subsection 40, paragraph "e", have not been convicted of a
5 violation of this chapter.

6 4. Notwithstanding section 123.187 and any other provision
7 of this chapter to the contrary, a wine direct shipper's permit
8 shall automatically renew without approval by the administrator
9 upon collection of the annual fee by the division, provided all
10 of the following conditions are met since the preceding permit
11 was issued:

12 *a.* The permittee has given written consent to the division
13 to have the permit automatically renewed as provided in this
14 section.

15 *b.* The permit has not been suspended or revoked.

16 *c.* A civil penalty has not been imposed against the
17 permittee.

18 *d.* An administrative proceeding is not pending against the
19 permittee to suspend or revoke the permit or to impose a civil
20 penalty under this chapter.

21 *e.* The permittee has filed all required reports and remitted
22 all wine gallonage tax owed pursuant to section 123.183.

23 *f.* The permittee and all persons associated with the
24 permittee as described in section 123.3, subsection 40,
25 paragraph "e", have not been convicted of a violation of this
26 chapter.

27 Sec. 31. Section 123.38, subsection 1, Code 2022, is amended
28 to read as follows:

29 1. A ~~liquor control~~ retail alcohol license, wine permit,
30 or beer permit is a personal privilege and is revocable for
31 cause. It is not property nor is it subject to attachment
32 and execution nor alienable nor assignable, and it shall
33 cease upon the death of the permittee or licensee. However,
34 the administrator of the division may in the administrator's
35 discretion allow the executor or administrator of the estate of

1 a permittee or licensee to operate the business of the decedent
 2 for a reasonable time not to exceed the expiration date of the
 3 permit or license. Every permit or license shall be issued in
 4 the name of the applicant and no person holding a permit or
 5 license shall allow any other person to use it.

6 Sec. 32. Section 123.38, subsection 2, paragraph a,
 7 subparagraph (4), Code 2022, is amended to read as follows:

8 (4) No refund shall be made for any ~~liquor control~~ retail
 9 alcohol license, wine permit, or beer permit surrendered more
 10 than nine months after issuance.

11 Sec. 33. Section 123.39, subsection 1, paragraph a, Code
 12 2022, is amended to read as follows:

13 a. (1) The administrator or the local authority may suspend
 14 a ~~class "A", class "B", special class "B" native wine, class~~
 15 ~~"C", special class "C", class "C" native distilled spirits, or~~
 16 ~~class "E" liquor control, or class "F" retail alcohol license,~~
 17 ~~or retail wine or beer permit~~ charity beer, spirits, and wine
 18 special event license for a period not to exceed one year,
 19 revoke the license ~~or permit~~, or impose a civil penalty not to
 20 exceed one thousand dollars per violation.

21 (2) The administrator may suspend a certificate of
 22 compliance, a class "D" ~~liquor control~~ retail alcohol license,
 23 a manufacturer's license, a broker's permit, a class "A" native
 24 distilled spirits license, a class "A" or special class "A"
 25 beer permit, ~~a charity beer, spirits, and wine auction permit,~~
 26 a class "A" wine permit, a wine direct shipper's permit, or a
 27 wine carrier permit for a period not to exceed one year, revoke
 28 the license, permit, or certificate, or impose a civil penalty
 29 not to exceed one thousand dollars per violation.

30 Sec. 34. Section 123.39, subsection 1, paragraph b,
 31 subparagraph (3), Code 2022, is amended to read as follows:

32 (3) Any change in the ownership or interest in the business
 33 operated under a ~~liquor control~~ retail alcohol license, ~~or any~~
 34 ~~wine or beer permit~~, which change was not previously reported
 35 in a manner prescribed by the administrator within thirty days

1 of the change and subsequently approved by the local authority,
2 when applicable, and the division.

3 Sec. 35. Section 123.39, subsections 2 and 3, Code 2022, are
4 amended to read as follows:

5 2. Local authorities may suspend any ~~liquor control retail~~
6 ~~alcohol~~ license ~~or retail wine or beer permit~~ for a violation
7 of any ordinance or regulation adopted by the local authority.
8 Local authorities may adopt ordinances or regulations for the
9 location of the premises of ~~liquor control retail alcohol~~
10 ~~licensed and retail wine or beer permitted~~ establishments
11 and local authorities may adopt ordinances, not in conflict
12 with [this chapter](#) and that do not diminish the hours during
13 which alcoholic beverages may be sold or consumed at retail,
14 governing any other activities or matters which may affect the
15 retail sale and consumption of alcoholic beverages and the
16 health, welfare and morals of the community involved.

17 3. When a ~~liquor control retail alcohol~~ license ~~or retail~~
18 ~~wine or beer permit~~ is suspended after a hearing as a result
19 of violations of [this chapter](#) by the licensee, ~~permittee~~
20 or the licensee's ~~or permittee's~~ agents or employees, the
21 premises which were licensed by the license ~~or permit~~ shall
22 not be relicensed for a new applicant until the suspension
23 has terminated or time of suspension has elapsed, or ninety
24 days have elapsed since the commencement of the suspension,
25 whichever occurs first. However, [this section](#) does not
26 prohibit the premises from being relicensed to a new applicant
27 before the suspension has terminated or before the time of
28 suspension has elapsed or before ninety days have elapsed from
29 the commencement of the suspension, if the premises prior to
30 the time of the suspension had been purchased under contract,
31 and the vendor under that contract had exercised the person's
32 rights under [chapter 656](#) and sold the property to a different
33 person who is not related to the previous licensee or permittee
34 by marriage or within the third degree of consanguinity or
35 affinity and if the previous licensee or permittee does not

1 have a financial interest in the business of the new applicant.

2 Sec. 36. Section 123.40, Code 2022, is amended to read as
3 follows:

4 **123.40 Effect of revocation.**

5 Any ~~liquor control~~ retail alcohol licensee, wine permittee,
6 or beer permittee whose license or permit is revoked under this
7 chapter shall not thereafter be permitted to hold a ~~liquor~~
8 ~~control~~ retail alcohol license, wine permit, or beer permit in
9 the state of Iowa for a period of two years from the date of
10 revocation. A spouse or business associate holding ten percent
11 or more of the capital stock or ownership interest in the
12 business of a person whose license or permit has been revoked
13 shall not be issued a ~~liquor control~~ retail alcohol license,
14 wine permit, or beer permit, and no ~~liquor control~~ retail
15 alcohol license, wine permit, or beer permit shall be issued
16 which covers any business in which such person has a financial
17 interest for a period of two years from the date of revocation.
18 If a license or permit is revoked, the premises which had been
19 covered by the license or permit shall not be relicensed for
20 one year.

21 Sec. 37. Section 123.43A, subsection 2, Code 2022, is
22 amended to read as follows:

23 2. A native distillery shall not sell more than ~~one and~~
24 ~~one-half~~ nine liters per person per day, of native distilled
25 spirits on the premises of the native distillery. However, a
26 ~~native distillery which, combining all production facilities~~
27 ~~of the business, produces and manufactures not more than one~~
28 ~~hundred thousand proof gallons of native distilled spirits on~~
29 ~~an annual basis, may sell not more than nine liters per person~~
30 ~~per day, of native distilled spirits. In addition, a native~~
31 distillery shall not directly ship native distilled spirits for
32 sale at retail. The native distillery shall maintain records
33 of individual purchases of native distilled spirits at the
34 native distillery for three years.

35 Sec. 38. Section 123.43A, subsection 6, Code 2022, is

1 amended to read as follows:

2 6. Notwithstanding any provision of ~~this chapter~~ to the
 3 contrary or the fact that a person is the holder of a class "A"
 4 native distilled spirits license, a native distillery ~~which,~~
 5 ~~combining all production facilities of the business, produces~~
 6 ~~and manufactures not more than one hundred thousand proof~~
 7 ~~gallons of native distilled spirits on an annual basis may sell~~
 8 ~~those native distilled spirits manufactured on the premises~~
 9 ~~of the native distillery for consumption on the premises by~~
 10 ~~applying for be granted a class "C" native distilled spirits~~
 11 ~~liquor control retail alcohol license as provided defined in~~
 12 section 123.30. A native distillery may be granted not more
 13 than two class "C" ~~native distilled spirits liquor control~~
 14 retail alcohol licenses. ~~All native distilled spirits sold~~
 15 ~~by a native distillery for on-premises consumption and mixed~~
 16 ~~drinks or cocktails sold for consumption off the premises~~
 17 ~~shall be purchased from a class "E" liquor control licensee.~~
 18 A manufacturer of native distilled spirits may be issued a
 19 class "C" ~~native distilled spirits liquor control retail~~
 20 alcohol license regardless of whether the manufacturer is also
 21 a manufacturer of beer pursuant to a class "A" beer permit or
 22 a manufacturer of native wine pursuant to a class "A" wine
 23 permit.

24 Sec. 39. Section 123.45, subsection 1, paragraph d, Code
 25 2022, is amended to read as follows:

26 d. ~~Hold a retail liquor control alcohol license or retail~~
 27 ~~wine or beer permit,~~ unless the licensee ~~or permittee~~ holding a
 28 ~~retail liquor control alcohol license or retail wine or beer~~
 29 ~~permit~~ does not purchase or sell the alcoholic beverages of
 30 the person engaged in the business of manufacturing, bottling,
 31 or wholesaling alcoholic beverages. However, a person engaged
 32 in the business of manufacturing wine that is not native wine
 33 may purchase and sell the person's wine under the authority
 34 of a special class "C" ~~liquor control retail alcohol~~ license
 35 and a class "B" ~~wine permit retail alcohol~~ license provided

1 the licensed premises is the principal office, as defined in
2 section 490.140, of the person.

3 Sec. 40. Section 123.45, subsection 3, Code 2022, is amended
4 to read as follows:

5 3. A person engaged in the wholesaling of beer or wine
6 may sell only disposable glassware, which is constructed of
7 paper, paper laminated, or plastic materials and designed
8 primarily for personal consumption on a one-time usage
9 basis, to retailers for use within the premises of licensed
10 establishments, for an amount which is greater than or equal
11 to an amount which represents the greater of either the amount
12 paid for the disposable glassware by the supplier or the amount
13 paid for the disposable glassware by the wholesaler. Also, a
14 ~~person engaged in the business of manufacturing beer may sell~~
15 ~~beer at retail for consumption on or off the premises of the~~
16 ~~manufacturing facility and,~~ notwithstanding any other provision
17 of this chapter or the fact that a person is the holder of a
18 class "A" beer permit, a native brewery may be granted not more
19 than two class "B" ~~beer permits~~ "C" retail alcohol licenses as
20 defined in section 123.124 ~~for that purpose 123.30~~ regardless
21 of whether that person is also a manufacturer of native
22 distilled spirits pursuant to a class "A" native distilled
23 spirits license or a manufacturer of native wine pursuant to a
24 class "A" wine permit.

25 Sec. 41. Section 123.46, subsection 2, Code 2022, is amended
26 to read as follows:

27 2. A person shall not use or consume alcoholic liquor, wine,
28 or beer upon the public streets or highways. A person shall
29 not use or consume alcoholic liquor in any public place except
30 premises covered by a ~~liquor control~~ retail alcohol license.
31 A person shall not possess or consume alcoholic liquors,
32 wine, or beer on public school property or while attending a
33 public or private school-related function. A person shall not
34 be intoxicated in a public place. A person violating this
35 subsection is guilty of a simple misdemeanor.

1 Sec. 42. Section 123.46A, Code 2022, is amended to read as
2 follows:

3 **123.46A Delivery of alcoholic beverages by retailers.**

4 1. Licensees ~~and permittees~~ authorized to sell alcoholic
5 liquor, wine, or beer in original unopened containers for
6 consumption off the licensed premises may deliver alcoholic
7 liquor, wine, or beer to a home, another licensed premises if
8 there is identical ownership of the premises by the licensee
9 ~~or permittee~~, or other designated location in this state.
10 Deliveries shall be limited to alcoholic beverages authorized
11 by the licensee's ~~or permittee's~~ license ~~or permit~~. Orders
12 delivered to another licensed premises shall contain only
13 those alcoholic beverages authorized for sale by the ~~liquor~~
14 ~~control~~ retail alcohol license ~~or retail wine or beer permit~~
15 covering the premises to which the alcoholic beverages will
16 be delivered. Orders delivered to another licensed premises
17 shall be fulfilled using the alcoholic beverages inventory
18 owned by the licensee ~~or permittee~~ who will receive the order
19 for delivery. If the recipient refuses or fails to pick up
20 the delivery, or is ineligible to receive the delivery, the
21 alcoholic beverages shall be returned to the licensee ~~or~~
22 ~~permittee~~ who fulfilled the order.

23 2. Licensees ~~and permittees~~ authorized to sell wine, beer,
24 or mixed drinks or cocktails for consumption off the licensed
25 premises in a container other than the original container may
26 deliver the wine, beer, or mixed drinks or cocktails to a
27 home or other designated location in this state only if the
28 container other than the original container has been sold and
29 securely sealed in compliance with **this chapter** or the rules
30 of the division. Deliveries shall be limited to alcoholic
31 beverages authorized by the licensee's ~~or permittee's~~ license
32 or permit.

33 3. All deliveries of alcoholic liquor, wine, beer, or
34 mixed drinks or cocktails shall be subject to the following
35 requirements and restrictions:

1 *a.* Payment for the alcoholic liquor, wine, beer, or mixed
2 drinks or cocktails shall be received by the licensee ~~or~~
3 ~~permittee~~ at the time of order.

4 *b.* Orders for deliveries may be taken by the licensee ~~or~~
5 ~~permittee~~ between the hours of 2:00 a.m. and 6:00 a.m.
6 ~~on a day other than Sunday, and orders for deliveries may~~
7 ~~be taken between the hours of 2:00 a.m. and 6:00 a.m. on a~~
8 ~~Sunday provided the licensee or permittee has been granted~~
9 ~~the privilege of selling alcoholic liquor, wine, beer, or~~
10 ~~mixed drinks or cocktails on Sunday~~ on any day of the week,
11 notwithstanding any provision of [section 123.49, subsection 2,](#)
12 paragraph "b", to the contrary.

13 *c.* Alcoholic liquor, wine, beer, or mixed drinks or
14 cocktails delivered to a person shall be for personal use and
15 not for resale.

16 *d.* Deliveries shall only be made to persons in this state
17 who are twenty-one years of age or older.

18 *e.* Deliveries shall not be made to a person who is
19 intoxicated or is simulating intoxication.

20 *f.* Deliveries shall occur between 6:00 a.m. and 10:00 p.m.
21 Monday through Sunday on the same day the order for alcoholic
22 liquor, wine, beer, or mixed drinks or cocktails is removed
23 from the licensed premises.

24 *g.* Delivery of alcoholic liquor, wine, beer, or mixed drinks
25 or cocktails shall be made by the licensee ~~or permittee,~~ the
26 licensee's ~~or permittee's~~ employee, or a third party, provided
27 the licensee ~~or permittee~~ has entered into a written agreement
28 with the third party that authorizes the third party to act
29 as an agent of the licensee ~~or permittee~~ for the purpose of
30 delivering alcoholic liquor, wine, beer, or mixed drinks or
31 cocktails. Each licensee ~~or permittee~~ shall submit to the
32 division electronically, or in a manner prescribed by the
33 administrator, a list of names and addresses of all third
34 parties it has authorized to act as its agent for the purpose
35 of delivering alcoholic liquor, wine, beer, or mixed drinks

1 or cocktails. The licensee ~~or permittee~~ shall provide the
2 division with amendments to the list as necessary to ensure the
3 division possesses an accurate, current list.

4 *h.* Delivery personnel shall be twenty-one years of age or
5 older.

6 *i.* Valid proof of the recipient's identity and age shall
7 be obtained at the time of delivery, and the signature of a
8 person twenty-one years of age or older shall be obtained as a
9 condition of delivery.

10 *j.* Licensees ~~and permittees~~ shall maintain records
11 of deliveries which include the quantity delivered, the
12 recipient's name and address, and the signature of the
13 recipient of the alcoholic liquor, wine, beer, or mixed drinks
14 or cocktails. The records shall be maintained on the licensed
15 premises for a period of three years.

16 4. A violation of [this section](#) or any other provision
17 of [this chapter](#) shall subject the licensee ~~or permittee~~ to
18 the penalty provisions of [section 123.39](#). If the licensee
19 ~~or permittee~~, an employee of the licensee ~~or permittee~~, or
20 a person delivering alcoholic liquor, wine, beer, or mixed
21 drinks or cocktails for a third party acting on behalf of the
22 licensee ~~or permittee~~ pursuant to a written agreement violates
23 this section, the licensee ~~or permittee~~ shall not be assessed
24 a penalty under [section 123.39](#) if the licensee ~~or permittee~~
25 establishes all of the following:

26 *a.* The violation was committed off of the licensee's
27 ~~or permittee's~~ premises after the liquor, wine, beer, or
28 mixed drinks or cocktails was removed from the licensee's ~~or~~
29 ~~permittee's~~ premises in fulfillment of a delivery order.

30 *b.* (1) If the person who committed the violation is an
31 employee of the licensee ~~or permittee~~, that no other violation
32 of [this section](#) was committed by any employee of the licensee
33 ~~or permittee~~ within the two-year period immediately preceding
34 the date of violation.

35 (2) If the person who committed the violation is a person

1 delivering for a third party acting on behalf of the licensee
2 ~~or permittee~~, that no other violation of [this section](#) was
3 committed by any person delivering for the same third party
4 while the third party was acting on behalf of the licensee ~~or~~
5 ~~permittee~~ within the two-year period immediately preceding the
6 date of violation.

7 5. Nothing in [this section](#) shall impact the direct shipment
8 of wine as regulated by [section 123.187](#).

9 Sec. 43. Section 123.47, subsection 3, Code 2022, is amended
10 to read as follows:

11 3. A person or persons under legal age shall not purchase
12 or attempt to purchase, consume, or individually or jointly
13 have alcoholic beverages in their possession or control; except
14 in the case of any alcoholic beverage given or dispensed to
15 a person under legal age within a private home and with the
16 knowledge, presence, and consent of the parent or guardian, for
17 beverage or medicinal purposes or as administered to the person
18 by either a physician or dentist for medicinal purposes and
19 except to the extent that a person under legal age may handle
20 alcoholic beverages during the regular course of the person's
21 employment by a ~~liquor control~~ retail alcohol licensee, or wine
22 or beer permittee under [this chapter](#).

23 Sec. 44. Section 123.48, subsections 1 and 3, Code 2022, are
24 amended to read as follows:

25 1. If a ~~liquor control~~ retail alcohol licensee ~~or wine or~~
26 ~~beer permittee~~ or an employee of the licensee ~~or permittee~~
27 has a reasonable belief based on factual evidence that a
28 driver's license as defined in section 321.1, subsection
29 20A, or nonoperator's identification card issued pursuant to
30 section 321.190 offered by a person who wishes to purchase
31 an alcoholic beverage at the licensed premises is altered
32 or falsified or belongs to another person, the licensee,
33 ~~permittee~~, or employee may retain the driver's license or
34 nonoperator's identification card. Within twenty-four hours,
35 the license or card shall be delivered to the appropriate

1 city or county law enforcement agency of the jurisdiction in
 2 which the licensed premises is located. When the license or
 3 card is delivered to the appropriate law enforcement agency,
 4 the licensee shall file a written report of the circumstances
 5 under which the license or card was retained. The local law
 6 enforcement agency may investigate whether a violation of
 7 section 321.216, [321.216A](#), or [321.216B](#) has occurred. If an
 8 investigation is not initiated or a probable cause is not
 9 established by the local law enforcement agency, the driver's
 10 license or nonoperator's identification card shall be delivered
 11 to the person to whom it was issued. The local law enforcement
 12 agency may forward the license or card with the report to the
 13 department of transportation for investigation, in which case,
 14 the department may investigate whether a violation of section
 15 321.216, [321.216A](#), or [321.216B](#) has occurred. The department of
 16 transportation shall return the license or card to the person
 17 to whom it was issued if an investigation is not initiated or a
 18 probable cause is not established.

19 3. A ~~liquor control~~ retail alcohol licensee or ~~wine or~~
 20 ~~beer permittee~~ or an employee of the licensee or ~~permittee~~
 21 is not subject to criminal prosecution for, or to civil
 22 liability for damages alleged to have resulted from, the
 23 retention and delivery of a driver's license or a nonoperator's
 24 identification card which is taken pursuant to subsections
 25 1 and 2. [This section](#) shall not be construed to relieve a
 26 licensee, ~~permittee~~, or employee of the licensee or ~~permittee~~
 27 from civil liability for damages resulting from the use of
 28 unreasonable force in obtaining the altered or falsified
 29 driver's license or nonoperator's identification card or the
 30 driver's license or nonoperator's identification card believed
 31 to belong to another person.

32 Sec. 45. Section 123.49, subsection 2, unnumbered paragraph
 33 1, Code 2022, is amended to read as follows:

34 A person holding a ~~liquor control~~ retail alcohol license or
 35 ~~retail wine or beer permit~~ under [this chapter](#), and the person's

1 agents or employees, shall not do any of the following:

2 Sec. 46. Section 123.49, subsection 2, paragraph b, Code
3 2022, is amended to read as follows:

4 b. Sell or dispense any alcoholic beverage on the premises
5 covered by the license ~~or permit~~, or permit its consumption
6 thereon between the hours of 2:00 a.m. and 6:00 a.m. on a
7 ~~weekday, and between the hours of 2:00 a.m. on Sunday and 6:00~~
8 ~~a.m. on the following Monday, however, a holder of a liquor~~
9 ~~control license or retail wine or beer permit granted the~~
10 ~~privilege of selling alcoholic liquor, wine, or beer on Sunday~~
11 ~~may sell or dispense alcoholic liquor, wine, or beer between~~
12 ~~the hours of 6:00 a.m. on Sunday and 2:00 a.m. on the following~~
13 Monday any day of the week.

14 Sec. 47. Section 123.49, subsection 2, paragraph d,
15 subparagraphs (1) and (3), Code 2022, are amended to read as
16 follows:

17 (1) Keep on premises covered by a ~~liquor control~~ retail
18 alcohol license any alcoholic liquor in any container except
19 the original package purchased from the division, and except
20 mixed drinks or cocktails mixed on the premises for immediate
21 consumption on the licensed premises or as otherwise provided
22 by this paragraph "d". This prohibition does not apply to
23 holders of a class "D" ~~liquor control~~ retail alcohol license
24 or to alcoholic liquor delivered in accordance with section
25 123.46A.

26 (3) Mixed drinks or cocktails mixed on premises covered by
27 a class "C" ~~liquor control~~ retail alcohol license ~~or a class~~
28 ~~"C" native distilled spirits liquor control~~ retail alcohol
29 license for consumption off the licensed premises may be
30 sold if the mixed drink or cocktail is immediately filled in
31 a sealed container and is promptly taken from the licensed
32 premises prior to consumption of the mixed drink or cocktail.
33 A mixed drink or cocktail that is sold in a sealed container in
34 compliance with the requirements of this subparagraph and rules
35 adopted by the division shall not be deemed an open container

1 subject to the requirements of [sections 321.284 and 321.284A](#)
 2 if the sealed container is unopened and the seal has not been
 3 tampered with, and the contents of the container have not been
 4 partially removed.

5 Sec. 48. Section 123.49, subsection 2, paragraphs g and j,
 6 Code 2022, are amended to read as follows:

7 *g.* Allow any person other than the licensee, ~~permittee,~~
 8 or employees of the licensee ~~or permittee,~~ to use or keep
 9 on the licensed premises any alcoholic liquor in any bottle
 10 or other container which is designed for the transporting of
 11 such beverages, except as permitted in [section 123.95](#). This
 12 paragraph does not apply to the lodging quarters of a ~~class~~
 13 ~~"B" liquor control licensee or wine or beer permittee hotel~~
 14 or motel holding a retail alcohol license, or to holders of a
 15 class "D" ~~liquor control~~ retail alcohol license.

16 *j.* Knowingly permit or engage in any criminal activity
 17 on the premises covered by the license ~~or permit~~. However,
 18 the absence of security personnel on the licensed premises
 19 is insufficient, without additional evidence, to prove that
 20 criminal activity occurring on the licensed premises was
 21 knowingly permitted in violation of this paragraph "*j*". For
 22 purposes of this paragraph "*j*", "*premises*" includes parking lots
 23 and areas adjacent to the premises of a ~~liquor control~~ retail
 24 alcohol licensee ~~or wine or beer permittee~~ authorized to sell
 25 alcoholic beverages for consumption on the licensed premises
 26 and used by patrons of the ~~liquor control~~ retail alcohol
 27 licensee ~~or wine or beer permittee~~.

28 Sec. 49. Section 123.49, subsection 3, Code 2022, is amended
 29 to read as follows:

30 3. A person under legal age shall not misrepresent the
 31 person's age for the purpose of purchasing or attempting
 32 to purchase any alcoholic beverage from any ~~liquor control~~
 33 retail alcohol licensee ~~or wine or beer permittee~~. If any
 34 person under legal age misrepresents the person's age, and
 35 the licensee ~~or permittee~~ establishes that the licensee ~~or~~

1 ~~permittee~~ made reasonable inquiry to determine whether the
 2 prospective purchaser was over legal age, the licensee ~~or~~
 3 ~~permittee~~ is not guilty of selling alcoholic beverages to a
 4 person under legal age.

5 Sec. 50. Section 123.49, subsection 4, Code 2022, is amended
 6 by striking the subsection.

7 Sec. 51. Section 123.50, subsections 1, 2, 4, and 5, Code
 8 2022, are amended to read as follows:

9 1. Any person who violates any of the provisions of section
 10 123.49, except [section 123.49, subsection 2](#), paragraph "h",
 11 or who fails to affix upon sale, defaces, or fails to record
 12 a keg identification ~~sticker~~ label or produce a record of keg
 13 identification ~~stickers~~ labels pursuant to [section 123.138](#),
 14 shall be guilty of a simple misdemeanor. A person who violates
 15 section 123.49, subsection 2, paragraph "h", commits a simple
 16 misdemeanor punishable as a scheduled violation under section
 17 805.8C, subsection 2.

18 2. The conviction of any ~~liquor control~~ retail alcohol
 19 ~~licensee or wine or beer permittee~~ for a violation of any of
 20 the provisions of [section 123.49](#), subject to [subsection 3](#) of
 21 this section, is grounds for the suspension or revocation of
 22 the license or permit by the division or the local authority.
 23 However, if any ~~liquor control~~ retail alcohol licensee is
 24 convicted of any violation of [section 123.49, subsection 2](#),
 25 paragraph "a", "d", or "e", or any ~~wine or beer permittee~~ retail
 26 alcohol licensee, excluding a special class "B" or class "D"
 27 retail alcohol licensee, is convicted of a violation of section
 28 123.49, subsection 2, paragraph "~~a~~" or "~~e~~" "d", the ~~liquor~~
 29 ~~control~~ retail alcohol license ~~or wine or beer permit~~ shall be
 30 revoked and shall immediately be surrendered by the holder,
 31 and the bond, if any, of the license ~~or permit~~ holder shall be
 32 forfeited to the division. However, the division shall retain
 33 only that portion of the bond equal to the amount the division
 34 determines the license ~~or permit~~ holder owes the division.

35 4. In addition to any other penalties imposed under this

1 chapter, the division shall assess a civil penalty up to
 2 the amount of five thousand dollars upon a class "E" ~~liquor~~
 3 ~~control~~ retail alcohol licensee when the class "E" ~~liquor~~
 4 retail alcohol license is revoked for a violation of section
 5 123.59. Failure to pay the civil penalty as required under
 6 this subsection shall result in forfeiture of the bond to the
 7 division. However, the division shall retain only that portion
 8 of the bond equal to the amount the division determines the
 9 license or permit holder owes the division.

10 5. If an employee of a ~~liquor control~~ retail alcohol
 11 licensee ~~or wine or beer permittee~~ violates section 123.49,
 12 subsection 2, paragraph "h", the licensee ~~or permittee~~ shall
 13 not be assessed a penalty under [subsection 3](#), and the violation
 14 shall be deemed not to be a violation of section 123.49,
 15 subsection 2, paragraph "h", for the purpose of determining
 16 the number of violations for which a penalty may be assessed
 17 pursuant to [subsection 3](#), if the employee holds a valid
 18 certificate of completion of the alcohol compliance employee
 19 training program pursuant to [section 123.50A](#) at the time of the
 20 violation, and if the violation involves selling, giving, or
 21 otherwise supplying any alcoholic beverage to a person between
 22 the ages of eighteen and twenty years of age. A violation
 23 involving a person under the age of eighteen years of age
 24 shall not qualify for the bar against assessment of a penalty
 25 pursuant to [subsection 3](#), for a violation of section 123.49,
 26 subsection 2, paragraph "h". A licensee ~~or permittee~~ may assert
 27 only once in a four-year period the bar under [this subsection](#)
 28 against assessment of a penalty pursuant to [subsection 3](#), for a
 29 violation of [section 123.49, subsection 2, paragraph "h"](#), that
 30 takes place at the same place of business location.

31 Sec. 52. Section 123.50, subsection 3, unnumbered paragraph
 32 1, Code 2022, is amended to read as follows:

33 If any ~~liquor control~~ retail alcohol licensee, ~~wine or~~
 34 ~~beer permittee~~, or employee of a licensee ~~or permittee~~ is
 35 convicted or found in violation of section 123.49, subsection

1 2, paragraph "h", the administrator or local authority shall,
2 in addition to criminal penalties fixed for violations by this
3 section, assess a civil penalty as follows:

4 Sec. 53. Section 123.92, subsection 2, paragraphs a and c,
5 Code 2022, are amended to read as follows:

6 a. Every ~~liquor control~~ retail alcohol licensee, class "~~B~~"
7 ~~beer permittee, and class "C" native wine permittee,~~ except
8 a class "B", special class "B", or class "E" liquor control
9 retail alcohol licensee, shall furnish proof of financial
10 responsibility by the existence of a liability insurance
11 policy in an amount determined by the division. If an insurer
12 provides dramshop liability insurance at a new location to
13 a licensee or permittee who has a positive loss experience
14 at other locations for which such insurance is provided by
15 the insurer, and the insurer bases premium rates at the new
16 location on the negative loss history of the previous licensee
17 ~~or permittee~~ at that location, the insurer shall examine and
18 consider adjusting the premium for the new location not less
19 than thirty months after the insurance is issued, based on the
20 loss experience of the licensee ~~or permittee~~ at that location
21 during that thirty-month period of time.

22 c. The purpose of dramshop liability insurance is to provide
23 protection for members of the public who experience damages
24 as a result of licensees ~~or permittees~~ serving patrons any
25 alcoholic beverage to a point that reaches or exceeds the
26 standard set forth in law for liability. Minimum coverage
27 requirements for such insurance are not for the purpose of
28 making the insurance affordable for all licensees ~~or permittees~~
29 regardless of claims experience. A dramshop liability
30 insurance policy obtained by a licensee ~~or permittee~~ shall meet
31 the minimum insurance coverage requirements as determined by
32 the division and is a mandatory condition for holding a license
33 ~~or permit~~.

34 Sec. 54. Section 123.92, subsection 3, paragraphs a and b,
35 Code 2022, are amended to read as follows:

1 a. Notwithstanding section 123.49, subsection 1, any
 2 person who is injured in person or property or means of
 3 support by an intoxicated person who is under legal age or
 4 resulting from the intoxication of a person who is under
 5 legal age, has a right of action for all damages actually
 6 sustained, severally or jointly, against a person who is
 7 not a licensee ~~or permittee~~ and who dispensed or gave any
 8 alcoholic beverage to the intoxicated underage person when the
 9 nonlicensee ~~or nonpermittee~~ who dispensed or gave the alcoholic
 10 beverage to the underage person knew or should have known the
 11 underage person was intoxicated, or who dispensed or gave any
 12 alcoholic beverage to the underage person to a point where the
 13 nonlicensee ~~or nonpermittee~~ knew or should have known that the
 14 underage person would become intoxicated.

15 b. If the injury was caused by an intoxicated person who is
 16 under legal age, a person who is not a licensee ~~or permittee~~
 17 and who dispensed or gave the alcoholic beverage to the
 18 underage person may establish as an affirmative defense that
 19 the intoxication did not contribute to the injurious action of
 20 the underage person.

21 Sec. 55. Section 123.95, subsection 2, paragraphs a and c,
 22 Code 2022, are amended to read as follows:

23 a. The holder of ~~an annual class "B" liquor control license~~
 24 ~~or an annual class "C" liquor control~~ retail alcohol license
 25 may act as the agent of a private social host for the purpose
 26 of providing and serving alcoholic beverages as part of a food
 27 catering service for a private social gathering in a private
 28 place, provided the licensee has applied for and been granted a
 29 catering privilege by the division. The holder of an annual
 30 special class "C" ~~liquor control~~ retail alcohol license shall
 31 not act as the agent of a private social host for the purpose of
 32 providing and serving wine and beer as part of a food catering
 33 service for a private social gathering in a private place.
 34 An applicant for a ~~class "B" or class "C" liquor control~~
 35 retail alcohol license shall state on the application for the

1 license that the licensee intends to engage in catering food
 2 and alcoholic beverages for private social gatherings and the
 3 catering privilege shall be noted on the license.

4 *c.* [Section 123.92](#) does not apply to a ~~liquor control retail~~
 5 ~~alcohol~~ licensee who acts in accordance with [this section](#) when
 6 the ~~liquor control retail alcohol~~ licensee is providing and
 7 serving food and alcoholic beverages as an agent of a private
 8 social host at a private social gathering in a private place
 9 which is not on the licensed premises.

10 Sec. 56. Section 123.122, subsection 1, Code 2022, is
 11 amended to read as follows:

12 1. A person shall not cause the manufacture, importation,
 13 or sale of beer in this state unless a certificate or permit as
 14 provided in [this subchapter](#), or a ~~liquor control retail alcohol~~
 15 license as provided in [subchapter I](#) of [this chapter](#), is first
 16 obtained which authorizes that manufacture, importation, or
 17 sale.

18 Sec. 57. Section 123.124, Code 2022, is amended to read as
 19 follows:

20 **123.124 Beer permits — classes.**

21 Permits for the manufacture and sale, or sale, of beer shall
 22 ~~be divided into four classes, known as class "A", and special~~
 23 ~~class "A", class "B", or class "C" beer permits.~~ A holder of
 24 a class "A" or special class "A" beer permit shall have the
 25 authority as provided in [section 123.130](#). ~~A holder of a class~~
 26 ~~"B" beer permit shall have the authority as provided in section~~
 27 ~~123.131, and a holder of a class "C" beer permit shall have the~~
 28 ~~authority as provided in [section 123.132](#).~~

29 Sec. 58. Section 123.125, Code 2022, is amended to read as
 30 follows:

31 **123.125 Issuance of beer permits.**

32 The administrator shall issue class "A", ~~and special class~~
 33 ~~"A", class "B", and class "C" beer permits~~ and may suspend or
 34 revoke permits for cause as provided in [this chapter](#).

35 Sec. 59. Section 123.127, subsection 2, paragraph h, Code

1 2022, is amended to read as follows:

2 *h.* If the person is applying for a special class "A" beer
3 permit, that the applicant holds or has applied for a class "C"
4 ~~liquor control or special class "C" retail alcohol license or~~
5 ~~class "B" beer permit.~~

6 Sec. 60. Section 123.130, subsection 1, paragraph a, Code
7 2022, is amended to read as follows:

8 *a.* Any person holding a class "A" beer permit issued by
9 the division shall be authorized to manufacture and sell, or
10 sell at wholesale, beer for consumption off the premises, such
11 sales within the state to be made only to persons holding a
12 subsisting class "A", "B", or "C" beer permits permit, both
13 a class "C" native wine permit and a class "A" wine permit
14 pursuant to section 123.178B, subsection 4, or liquor control
15 retail alcohol licenses, excluding a special class "B" retail
16 native wine license, issued in accordance with the provisions
17 of this chapter. However, a person holding a class "A" beer
18 permit issued by the division who also holds a brewer's notice
19 issued by the alcohol and tobacco tax and trade bureau of the
20 United States department of the treasury shall be authorized
21 to sell, at wholesale, no more than thirty thousand barrels of
22 beer on an annual basis for consumption off the premises to a
23 licensee ~~or permittee~~ authorized under this chapter to sell
24 beer at retail.

25 Sec. 61. Section 123.130, subsections 2 and 4, Code 2022,
26 are amended to read as follows:

27 2. Pursuant to section 123.45, subsection 3, a native
28 brewery may be granted not more than two class "B" beer permits
29 ~~as defined in section 123.124 for the purpose of selling~~
30 ~~beer at retail for consumption on or off the premises of the~~
31 ~~manufacturing facility~~ class "C" retail alcohol licenses.

32 4. All special class "A" premises shall be located within
33 the state. A person who holds a special class "A" beer permit
34 for the same location at which the person holds a class "C"
35 ~~liquor control or special class "C" retail alcohol license or~~

1 ~~class "B" beer permit~~ for the purpose of operating as a brewpub
 2 may manufacture and sell beer to be consumed on the premises,
 3 may sell beer at retail at the manufacturing premises for
 4 consumption off the premises ~~beer that is transferred at the~~
 5 ~~time of sale to another container subject to the requirements~~
 6 of ~~section 123.131, subsection 2~~, may sell beer to a class
 7 "A" beer permittee for resale purposes, and may sell beer to
 8 distributors outside of the state that are authorized by the
 9 laws of that jurisdiction to sell beer at wholesale. The
 10 permit issued to holders of a special class "A" beer permit
 11 shall clearly state on its face that the permit is limited.

12 Sec. 62. Section 123.135, subsection 4, Code 2022, is
 13 amended to read as follows:

14 4. It shall be unlawful for any holder of a certificate
 15 of compliance or the holder's agent, or any class "A" beer
 16 permit holder or the beer permit holder's agent, to grant to
 17 any retail ~~beer permit~~ alcohol license holder, directly or
 18 indirectly, any rebates, free goods, or quantity discounts on
 19 beer which are not uniformly offered to all retail ~~permittees~~
 20 alcohol licensees.

21 Sec. 63. Section 123.138, subsection 1, Code 2022, is
 22 amended to read as follows:

23 1. Each class "A" or special class "A" beer permittee
 24 shall keep proper records showing the amount of beer sold
 25 by the permittee, and these records shall be at all times
 26 open to inspection by the administrator and to other persons
 27 pursuant to section 123.30, subsection 1. Each ~~class "B"~~
 28 ~~beer permittee, class "C" beer permittee, or retail liquor~~
 29 ~~control~~ alcohol licensee as described in section 123.30 shall
 30 keep proper records showing each purchase of beer made by the
 31 ~~permittee or licensee~~, and the date and the amount of each
 32 purchase and the name of the person from whom each purchase
 33 was made, which records shall be open to inspection pursuant
 34 to section 123.30, subsection 1, during normal business hours
 35 of the ~~permittee or licensee~~.

1 Sec. 64. Section 123.138, subsection 2, paragraph a, Code
2 2022, is amended to read as follows:

3 a. ~~Each class "B", "C", or special class "C" liquor control~~
4 ~~retail alcohol licensee and class "B" or "C" beer permittee~~ who
5 sells beer for off-premises consumption shall affix to each
6 keg of beer an identification ~~sticker~~ label provided by the
7 administrator. The ~~sticker~~ label provided shall allow for its
8 full removal when common external keg cleaning procedures are
9 performed. For the purposes of this subsection, "keg" means
10 all durable and disposable containers with a liquid capacity
11 of five gallons or more. ~~Each class "B", "C", or special class~~
12 ~~"C" liquor control retail alcohol licensee and class "B" or "C"~~
13 ~~beer permittee~~ shall also keep a record of the identification
14 ~~sticker~~ label number of each keg of beer sold by the licensee
15 ~~or permittee~~ with the name and address of the purchaser and
16 the number of the purchaser's driver's license, nonoperator's
17 identification card, or military identification card, if the
18 military identification card contains a picture and signature.
19 This information shall be retained by the licensee ~~or permittee~~
20 for a minimum of ninety days. The records kept pursuant to
21 this subsection shall be available for inspection by any law
22 enforcement officer during normal business hours.

23 Sec. 65. Section 123.138, subsection 2, paragraph b, Code
24 2022, is amended to read as follows:

25 b. (1) The division shall provide the keg identification
26 ~~stickers~~ labels described in paragraph "a" and shall, prior to
27 utilizing a ~~sticker~~ label, notify licensed brewers and licensed
28 beer importers of the type of ~~sticker~~ label to be utilized.
29 Each ~~sticker~~ label shall contain a number and the following
30 statement:

31 It is unlawful to sell, give, or otherwise supply any
32 alcoholic beverage, wine, or beer to any person under legal
33 age. Any person who defaces this ~~sticker~~ label shall be guilty
34 of criminal mischief punishable pursuant to section 716.6 and
35 ~~shall cause the forfeiture of any deposit, if applicable.~~

1 (2) The identification ~~sticker~~ label shall be placed on
 2 the keg at the time of retail sale. The licensee ~~or permittee~~
 3 shall ~~purchase~~ obtain the ~~stickers~~ labels referred to in this
 4 subsection from the division and ~~shall remit to the division~~
 5 ~~deposits forfeited pursuant to this lettered paragraph due to~~
 6 ~~defacement.~~ The cost of the ~~stickers~~ labels to licensees and
 7 ~~permittees~~ shall not exceed the division's cost of producing
 8 and distributing the ~~stickers~~ labels. The moneys collected by
 9 the division relating to the sale of ~~stickers and forfeited~~
 10 ~~deposits~~ labels shall be credited to the beer and liquor
 11 control fund.

12 Sec. 66. Section 123.138, subsection 2, paragraph d, Code
 13 2022, is amended by striking the paragraph.

14 Sec. 67. Section 123.141, Code 2022, is amended to read as
 15 follows:

16 **123.141 Keeping liquor where beer is sold.**

17 No alcoholic liquor for beverage purposes shall be used,
 18 or kept for any purpose in the place of business of a special
 19 ~~class "B" beer permittees~~ "C" retail alcohol licensee, or on
 20 the premises of such special class ~~"B" beer permittees~~ "C"
 21 retail alcohol licensee, at any time. A violation of any
 22 provision of this section shall be grounds for suspension or
 23 revocation of the beer permit pursuant to section 123.50,
 24 subsection 3. This section shall not apply in any manner or
 25 in any way to the premises of any hotel or motel for which a
 26 special class ~~"B" beer permit~~ "C" retail alcohol license has
 27 been issued, other than that part of such premises regularly
 28 used by the hotel or motel for the principal purpose of selling
 29 beer or food to the general public, ~~to a premises for which~~
 30 ~~both a class "B" beer permit and a class "A" native distilled~~
 31 ~~spirits license have been issued~~, or to keep a pharmacy from
 32 having alcohol in stock for medicinal and compounding purposes.

33 Sec. 68. Section 123.142, subsection 1, Code 2022, is
 34 amended to read as follows:

35 1. It is unlawful for the holder of a ~~class "B" or class "C"~~

1 ~~beer permit~~ retail alcohol license issued under this chapter
 2 to sell beer, except beer brewed on the premises covered by a
 3 special class "A" beer permit or beer purchased from a person
 4 holding a class "A" beer permit issued in accordance with this
 5 chapter, and on which the tax provided in section 123.136 has
 6 been paid. However, this section does not apply to class "D"
 7 ~~liquor control~~ retail alcohol licensees as provided in this
 8 chapter.

9 Sec. 69. Section 123.143, subsection 1, Code 2022, is
 10 amended by striking the subsection.

11 Sec. 70. Section 123.143, subsection 2, Code 2022, is
 12 amended to read as follows:

13 2. All permit fees collected by the division under this
 14 subchapter shall accrue to the beer and liquor control fund,
 15 except as otherwise provided. All ~~permit fees and taxes~~
 16 collected by the division under this subchapter shall accrue to
 17 the state general fund, except as otherwise provided.

18 Sec. 71. Section 123.171, subsection 1, Code 2022, is
 19 amended to read as follows:

20 1. A person shall not cause the manufacture, importation,
 21 or sale of wine in this state unless a certificate or permit as
 22 provided in this subchapter, or a ~~liquor control~~ retail alcohol
 23 license as provided in subchapter I of this chapter, is first
 24 obtained which authorizes that manufacture, importation, or
 25 sale.

26 Sec. 72. Section 123.173, Code 2022, is amended to read as
 27 follows:

28 123.173 Wine permits permit — classes class "A" —
 29 authority.

30 1. Except as provided in section 123.187, ~~permits a permit~~
 31 exclusively for the ~~sale or~~ manufacture and sale of wine shall
 32 be ~~divided into four classes, and shall be known as a class~~
 33 "A", "B", "B" native, or "C" native wine permits permit.

34 2. A class "A" wine permit allows the holder to manufacture
 35 and sell, or sell at wholesale, in this state, wine. The

1 holder of a class "A" wine permit may manufacture in this state
 2 wine having an alcoholic content greater than seventeen percent
 3 by weight or twenty-one and twenty-five hundredths percent of
 4 alcohol by volume for shipment outside this state. All class
 5 "A" premises shall be located within the state. ~~A class "B" or~~
 6 ~~class "B" native wine permit allows the holder to sell wine at~~
 7 ~~retail for consumption off the premises. A class "B" or class~~
 8 ~~"B" native wine permittee who also holds a class "E" liquor~~
 9 ~~control license may sell wine to class "A", class "B", class~~
 10 ~~"C", special class "C", and class "D" liquor control licensees~~
 11 ~~for resale for consumption on the premises. Such wine sales~~
 12 ~~shall be in quantities of less than one case of any wine brand~~
 13 ~~but not more than one such sale shall be made to the same liquor~~
 14 ~~control licensee in a twenty-four-hour period. A class "B" or~~
 15 ~~class "B" native wine permittee shall not sell wine to other~~
 16 ~~class "B" or class "B" native wine permittees. A class "C"~~
 17 ~~native wine permit allows the holder to sell native wine for~~
 18 ~~consumption on or off the premises.~~

19 3. A class "A" wine permittee shall be required to deliver
 20 wine to a retail ~~wine permittee~~ alcohol licensee, and a retail
 21 ~~wine permittee~~ alcohol licensee shall be required to accept
 22 delivery of wine from a class "A" wine permittee, only at
 23 the licensed premises of the retail ~~wine permittee~~ alcohol
 24 licensee. Except as specifically permitted by the division
 25 upon good cause shown, delivery or transfer of wine from an
 26 unlicensed premises to a licensed retail ~~wine permittee's~~
 27 alcohol licensee's premises, or from one licensed retail wine
 28 ~~permittee's~~ alcohol licensee's premises to another licensed
 29 retail ~~wine permittee's~~ alcohol licensee's premises, even if
 30 there is common ownership of all of the premises by one retail
 31 permittee, is prohibited. ~~A class "B" or class "B" native wine~~
 32 ~~permittee who also holds a class "E" liquor control license~~
 33 ~~shall keep and maintain records for each sale of wine to liquor~~
 34 ~~control licensees showing the name of the establishment to~~
 35 ~~which wine was sold, the date of sale, and the brands and~~

1 ~~number of bottles sold to the liquor control licensee.~~

2 ~~4. When a class "B" or class "B" native wine permittee who~~
 3 ~~also holds a class "E" liquor control license sells wine to a~~
 4 ~~liquor control licensee, the liquor control licensee shall sign~~
 5 ~~a report attesting to the purchase. The class "B" or class "B"~~
 6 ~~native wine permittee who also holds a class "E" liquor control~~
 7 ~~license shall submit a report to the division electronically,~~
 8 ~~or in a manner prescribed by the administrator, not later than~~
 9 ~~the tenth of each month stating each sale of wine to liquor~~
 10 ~~control licensees during the preceding month, the date of each~~
 11 ~~sale, and the brands and numbers of bottles with each sale.~~
 12 ~~A class "B" permittee who holds a class "E" liquor control~~
 13 ~~license may sell to class "A", class "B", or class "C" liquor~~
 14 ~~control licensees only if the licensed premises of the liquor~~
 15 ~~control licensee is located within the geographic territory of~~
 16 ~~the class "A" wine permittee from which the wine was originally~~
 17 ~~purchased by the class "B" or class "B" native wine permittee.~~

18 Sec. 73. Section 123.173A, Code 2022, is amended by striking
 19 the section and inserting in lieu thereof the following:

20 **123.173A Charity beer, spirits, and wine special event**
 21 **license.**

22 1. For purposes of this section:

23 *a. "Authorized nonprofit entity"* includes a nonprofit
 24 entity which has a principal office in the state, a nonprofit
 25 corporation organized under chapter 504, or a foreign
 26 corporation as defined in section 504.141, whose income is
 27 exempt from federal taxation under section 501(c) of the
 28 Internal Revenue Code.

29 *b. "Charity auction"* means an auction conducted by an
 30 authorized nonprofit entity which includes beer, spirits, and
 31 wine.

32 *c. "Charity event"* means an event at which an authorized
 33 nonprofit entity may serve the event's attendees beer,
 34 spirits, and wine for consumption on the premises of the event,
 35 regardless of whether the entity charges an admission fee to

1 the event or otherwise collects the cost of the beer, spirits,
2 and wine served from the event's attendees.

3 *d. "Charity special event"* means a charity auction, charity
4 event, or a combined charity auction and charity event.

5 2. Upon application to the division and receipt of a charity
6 beer, spirits, and wine special event license, an authorized
7 nonprofit entity may conduct a charity special event subject to
8 the requirements of this section.

9 3. A charity auction conducted by a charity beer, spirits,
10 and wine special event licensee shall comply with the following
11 requirements:

12 *a.* The authorized nonprofit entity conducting the charity
13 auction shall obtain the beer, spirits, and wine to be
14 auctioned at the charity auction from an Iowa retail alcohol
15 licensee, or may receive donations of beer, spirits, or wine to
16 be auctioned at the charity auction from persons who purchased
17 the donated beer, spirits, or wine from an Iowa retail alcohol
18 licensee or an Iowa class "A" native distilled spirits licensee
19 and who present a receipt documenting the purchase at the
20 time the beer, spirits, or wine is donated. The authorized
21 nonprofit entity conducting the charity auction shall retain a
22 copy of the receipt for a period of one year from the date of
23 the charity beer, spirits, and wine auction.

24 *b.* The beer, spirits, and wine sold at the charity auction
25 shall be in original containers for consumption off of the
26 premises where the charity auction is conducted. No other
27 alcoholic beverage may be sold by the charity beer, spirits,
28 and wine special event licensee at the charity auction. A
29 purchaser of beer, spirits, or wine at a charity auction shall
30 not take possession of the beer, spirits, or wine until the
31 person is leaving the event. A purchaser of beer, spirits,
32 or wine at a charity auction shall not open the container or
33 consume or permit the consumption of the beer, spirits, or
34 wine purchased on the premises where the charity auction is
35 conducted. A purchaser of beer, spirits, or wine at a charity

1 auction shall not resell the beer, spirits, or wine.

2 *c.* A retail alcohol licensee or class "A" native distilled
3 spirits licensee shall not purchase beer, spirits, or wine at
4 a charity auction. The charity auction may be conducted on
5 a premises for which a class "B" or class "C" retail alcohol
6 license has been issued, provided that the retail alcohol
7 licensee does not participate in the charity auction, supply
8 beer, spirits, or wine to be auctioned at the charity auction,
9 or receive any of the proceeds of the charity auction.

10 4. A charity event conducted by a charity beer, spirits,
11 and wine special event licensee shall comply with the following
12 requirements:

13 *a.* The charity event shall be conducted on a premises
14 covered by a valid retail alcohol license issued by the
15 division.

16 *b.* The authorized nonprofit entity conducting a charity
17 event shall have a written agreement with the retail alcohol
18 licensee covering the premises where the charity event is to be
19 conducted specifying that that licensee shall act as the agent
20 of the authorized nonprofit entity for the purpose of providing
21 and serving alcoholic beverages to the attendees of the charity
22 event.

23 *c.* The retail alcohol licensee covering the premises where
24 the charity event is to be conducted shall supply all alcoholic
25 beverages served to the attendees of the charity event.

26 *d.* Only those types of alcoholic beverages as are authorized
27 to be sold by the retail alcohol license covering the premises
28 where the charity event is to be conducted are to be served to
29 the attendees of the charity event.

30 5. An application for a charity beer, spirits, and wine
31 special event license to conduct a charity special event shall
32 include all of the following information:

33 *a.* The date and time when the charity special event is to be
34 conducted and the location of the premises in this state where
35 the charity special event is to be physically conducted.

1 *b.* The retail alcohol license number issued by the division
2 for the premises where a charity event is to be conducted, if
3 applicable.

4 *c.* A certification that the objective of the charity special
5 event is to raise funds solely to be used for educational,
6 religious, or charitable purposes and that the entire proceeds
7 from the charity special event are to be expended for any of
8 the purposes described in section 423.3, subsection 78.

9 6. An authorized nonprofit entity shall be eligible to
10 receive no more than two charity beer, spirits, and wine
11 special event licenses during a calendar year and each charity
12 beer, spirits, and wine special event license shall be valid
13 for a period not to exceed thirty-six consecutive hours.

14 7. Any violation of the requirements of this chapter or
15 the rules adopted pursuant to this chapter shall subject
16 the charity beer, spirits, and wine special event license
17 holder to the general penalties provided in this chapter and
18 shall constitute grounds for imposition of a civil penalty,
19 suspension of the license, or revocation of the permit after
20 notice and opportunity for a hearing pursuant to section 123.39
21 and chapter 17A.

22 Sec. 74. Section 123.175, subsection 1, unnumbered
23 paragraph 1, Code 2022, is amended to read as follows:

24 A person applying for a class "A" ~~or retail~~ wine permit shall
25 submit a completed application electronically, or in a manner
26 prescribed by the administrator, which shall set forth under
27 oath the following:

28 Sec. 75. Section 123.175, subsection 1, paragraph e, Code
29 2022, is amended to read as follows:

30 *e.* When required by the administrator, and in such form and
31 containing such information as the administrator may require,
32 a description of the premises where the applicant intends to
33 use the permit, to include a sketch or drawing of the premises
34 ~~and, if applicable, the number of square feet of interior floor~~
35 ~~space which comprises the retail sales area of the premises.~~

1 Sec. 76. Section 123.175, subsection 2, unnumbered
2 paragraph 1, Code 2022, is amended to read as follows:

3 The administrator shall issue a class "A" ~~or retail~~ wine
4 permit to any applicant who establishes all of the following:

5 Sec. 77. Section 123.175, subsection 2, paragraphs d and g,
6 Code 2022, are amended to read as follows:

7 ~~d. That, in the case of a class "A" wine permit,~~ the
8 applicant has filed with the division a basic permit issued
9 by the alcohol and tobacco tax and trade bureau of the United
10 States department of the treasury, and that the applicant will
11 faithfully observe and comply with all the laws, rules, and
12 regulations governing the manufacture and sale of wine.

13 ~~g. That the applicant has submitted, in the case of a class~~
14 ~~"A" wine permit,~~ a bond in the amount of five thousand dollars
15 in a manner prescribed by the administrator with good and
16 sufficient sureties to be approved by the division conditioned
17 upon compliance with [this chapter](#).

18 Sec. 78. Section 123.176, subsections 2, 5, and 7, Code
19 2022, are amended to read as follows:

20 2. Native wine may be sold at retail for off-premises
21 consumption when sold on the premises of the manufacturer, or
22 in a retail establishment operated by the manufacturer. Sales
23 may also be made to class "A" or retail ~~wine permittees or~~
24 ~~liquor control~~ alcohol licensees as authorized by sections
25 ~~123.173~~ 123.30 and [123.177](#). A manufacturer of native wines
26 shall not sell the wines other than as permitted in this
27 chapter and shall not allow wine sold to be consumed upon the
28 premises of the manufacturer. However, prior to sale, native
29 wines may be tasted pursuant to the rules of the division
30 on the premises where made, when no charge is made for the
31 tasting.

32 5. Notwithstanding any other provision of [this chapter](#), a
33 person engaged in the business of manufacturing native wine
34 ~~may sell native wine at retail for consumption on the premises~~
35 ~~of the manufacturing facility by applying for~~ be granted a

1 class "C" ~~native wine permit~~ retail alcohol license as provided
 2 defined in ~~section 123.178B~~ 123.30. A manufacturer of native
 3 wine may be granted not more than two class "C" ~~native wine~~
 4 ~~permits~~ retail alcohol licenses. A manufacturer of native wine
 5 may be issued a class "C" ~~native wine permit~~ retail alcohol
 6 license regardless of whether the manufacturer is also a
 7 manufacturer of beer pursuant to a class "A" beer permit or a
 8 manufacturer of native distilled spirits pursuant to a class
 9 "A" native distilled spirits license.

10 7. A manufacturer may use the space and equipment of another
 11 manufacturer for the purpose of manufacturing native wine,
 12 provided that such an alternating proprietorship arrangement
 13 is approved by the alcohol and tobacco tax and trade bureau
 14 of the United States department of the treasury. A separate
 15 class "A" wine permit shall be issued to each manufacturer,
 16 and each manufacturer shall be subject to the provisions of
 17 this chapter and the rules of the division. Notwithstanding
 18 subsection 5, not more than one class "C" ~~native wine permit~~
 19 retail alcohol license shall be issued to a premises with
 20 alternating proprietorships.

21 Sec. 79. Section 123.177, subsection 1, Code 2022, is
 22 amended to read as follows:

23 1. A person holding a class "A" wine permit may manufacture
 24 and sell, or sell at wholesale, wine for consumption off the
 25 premises. Sales within the state may be made only to persons
 26 holding a class "A" ~~or "B"~~ wine permit and to persons holding a
 27 ~~retail liquor control~~ alcohol license. However, if the person
 28 holding the class "A" permit is a manufacturer of native wine,
 29 the person may sell only native wine to a person holding a
 30 ~~retail wine permit or a retail liquor control~~ alcohol license.
 31 A person holding a class "A" wine permit may sell wine to
 32 distributors outside of the state that are authorized by the
 33 laws of that jurisdiction to sell wine at wholesale. A class
 34 "A" wine permittee having more than one place of business shall
 35 obtain a separate permit for each place of business where wine

1 is to be manufactured, stored, warehoused, or sold.

2 Sec. 80. Section 123.177, subsection 3, Code 2022, is
3 amended by striking the subsection.

4 Sec. 81. Section 123.180, subsection 4, Code 2022, is
5 amended to read as follows:

6 4. It is unlawful for a holder of a vintner's certificate
7 of compliance or the holder's agent, or any class "A" wine
8 permittee or the permittee's agent, to discriminate between
9 ~~class "B" wine permittees~~ class "B", special class "B", and
10 class "E" retail alcohol licensees authorized to sell wine at
11 retail.

12 Sec. 82. Section 123.181, subsection 1, Code 2022, is
13 amended by striking the subsection.

14 Sec. 83. Section 123.181, subsection 2, Code 2022, is
15 amended to read as follows:

16 2. A class "A" wine permittee shall not sell wine on
17 credit to a retail alcohol licensee ~~or permittee~~ for a period
18 exceeding thirty days from date of delivery.

19 Sec. 84. Section 123.187, subsection 2, paragraph a, Code
20 2022, is amended to read as follows:

21 a. Only a wine manufacturer that holds a wine direct shipper
22 permit issued pursuant to [this section](#) shall sell wine at
23 retail for direct shipment to any person within this state.
24 This section shall not prohibit an authorized retail licensee
25 ~~or permittee~~ from delivering wine pursuant to [section 123.46A](#).

26 Sec. 85. Section 123.187, subsection 2, paragraph d, Code
27 2022, is amended by striking the paragraph.

28 Sec. 86. Section 125.59, unnumbered paragraph 1, Code 2022,
29 is amended to read as follows:

30 The treasurer of state, on each July 1 for that fiscal
31 year, shall transfer the estimated amounts to be received from
32 ~~[section 123.36, subsection 8](#) and [section 123.143, subsection 1](#)~~
33 for purposes of this section to the department.

34 Sec. 87. REPEAL. Sections 123.97, 123.123, 123.150,
35 123.172, 123.173B, and 123.185, Code 2022, are repealed.

1 Sec. 88. EFFECTIVE DATE. This division of this Act takes
2 effect January 1, 2023.

3 DIVISION IV

4 CONFORMING CHANGES

5 Sec. 89. Section 7D.16, Code 2022, is amended to read as
6 follows:

7 **7D.16 Alcoholic beverages in state capitol or on complex**
8 **grounds.**

9 Notwithstanding any contrary provision of law prohibiting
10 the use and consumption of alcoholic beverages in a public
11 place, the executive council may authorize, by resolution,
12 the temporary use and consumption of alcoholic beverages,
13 as defined in [section 123.3](#), in the state capitol or on the
14 state capitol complex grounds, as if the state capitol or
15 state capitol complex grounds were a private place. The
16 authorization by resolution shall be limited to the use and
17 consumption of alcoholic beverages as an accompaniment to food
18 at a single award ceremony, social event, or other occasion
19 deemed appropriate by the executive council. The authorization
20 shall require that the person providing the food and alcoholic
21 beverages possess an appropriate ~~liquor control~~ retail alcohol
22 license in accordance with [section 123.95](#). The secretary
23 of the executive council shall inform the secretary of the
24 legislative council and the director of the department of
25 administrative services of the approval of any such resolution.

26 Sec. 90. Section 12.43, subsection 5, paragraph e, Code
27 2022, is amended to read as follows:

28 e. Liquor, beer, and wine sales must not exceed twenty
29 percent of annual sales for establishments holding a class
30 "C" ~~liquor~~ retail alcohol license issued pursuant to section
31 123.30.

32 Sec. 91. Section 99B.3, subsection 2, Code 2022, is amended
33 to read as follows:

34 2. A person whose license is revoked under [this section](#)
35 who is a person for whom a ~~class "A", class "B", class "C", or~~

1 ~~class "D" liquor control~~ retail alcohol license has been issued
2 pursuant to [chapter 123](#) shall have the person's ~~liquor control~~
3 retail alcohol license suspended for a period of fourteen days
4 in the same manner as provided in section 123.50, subsection
5 3, paragraph "a".

6 Sec. 92. Section 99B.3, subsection 3, Code 2022, is amended
7 by striking the subsection.

8 Sec. 93. Section 99B.43, subsection 1, unnumbered paragraph
9 1, Code 2022, is amended to read as follows:

10 Social gambling is lawful on the premises of an
11 establishment for which a class "A", ~~class "B", class "C",~~
12 ~~special class "C", or class "D" liquor control, class "E", or~~
13 class "F" retail alcohol license, ~~or class "B" beer permit~~
14 has been issued pursuant to [chapter 123](#) when, subject to the
15 provisions of [section 99B.42](#), all of the following requirements
16 are met:

17 Sec. 94. Section 99B.43, subsection 1, paragraph a, Code
18 2022, is amended to read as follows:

19 a. The ~~liquor control~~ retail alcohol licensee ~~or beer~~
20 ~~permittee~~ has submitted an application for a social gambling
21 license and a license fee of one hundred fifty dollars to the
22 department, and a license has been issued.

23 Sec. 95. Section 99B.43, subsection 2, unnumbered paragraph
24 1, Code 2022, is amended to read as follows:

25 A ~~liquor control~~ retail alcohol licensee ~~or beer permittee~~
26 with a social gambling license issued pursuant to [this section](#)
27 may conduct a sports betting pool if all of the requirements of
28 this subsection are met.

29 Sec. 96. Section 99B.43, subsection 3, Code 2022, is amended
30 to read as follows:

31 3. An establishment issued a social gambling license under
32 this section that is required to obtain a new ~~liquor retail~~
33 alcohol license ~~or permit~~ under [chapter 123](#) due to a change in
34 ownership shall be required to obtain a new social gambling
35 license under [this section](#) to conduct social gambling.

1 Sec. 97. Section 99B.53, subsections 2, 3, 4, and 13, Code
2 2022, are amended to read as follows:

3 2. Except as provided in [subsection 3](#), an electrical or
4 mechanical amusement device requiring registration may be
5 located on premises for which a ~~class "A", class "B", class~~
6 ~~"C", special class "C", or class "D" liquor control,~~ class "E",
7 or class "F" retail alcohol license has been issued pursuant
8 to [chapter 123](#).

9 3. *a.* An electrical or mechanical amusement device
10 requiring registration may be located on premises for which a
11 class "B" or class ~~"C" beer permit~~ "E" retail alcohol license
12 has been issued pursuant to [chapter 123](#), but the department
13 shall not initially register an electrical or mechanical
14 amusement device to an owner or distributor for a location for
15 which a class "B" or class ~~"C" beer permit~~ "E" retail alcohol
16 license has been issued pursuant to [chapter 123](#) on or after
17 April 28, 2004.

18 *b.* A distributor that owns an amusement device at a location
19 for which only a class "B" or class ~~"C" beer permit~~ "E" retail
20 alcohol license has been issued pursuant to [chapter 123](#) shall
21 not relocate an amusement device registered as provided in
22 this section to a location other than a location for which a
23 ~~class "A", class "B", class "C", special class "C", or class~~
24 ~~"D" liquor,~~ class "E", or class "F" retail alcohol license has
25 been issued and shall not transfer, assign, sell, or lease an
26 amusement device registered as provided in [this section](#) to
27 another person for which only a class "B" or class ~~"C" beer~~
28 ~~permit~~ "E" retail alcohol license has been issued pursuant to
29 [chapter 123](#) after April 28, 2004.

30 *c.* If ownership of the location changes, the class "B"
31 or class ~~"C" beer permit~~ "E" retail alcohol license does not
32 lapse, and the device is not removed from the location, the
33 device may remain at the location.

34 4. An electrical or mechanical amusement device required
35 to be registered and at a location for which only a class "B"

1 or class ~~"C" beer permit~~ "E" retail alcohol license has been
 2 issued pursuant to [chapter 123](#) shall include on the device
 3 a security mechanism which prevents the device from being
 4 operated by a person until action is taken by the owner or
 5 owner's designee to allow the person to operate the device.

6 13. A person owning or leasing an electrical or mechanical
 7 amusement device required to be registered by [this section](#)
 8 shall not relocate and place into operation an amusement
 9 device in any location other than a location which has been
 10 issued an appropriate ~~liquor control~~ retail alcohol license in
 11 good standing and to which the device has been appropriately
 12 registered with the department.

13 Sec. 98. Section 99B.55, subsection 2, Code 2022, is amended
 14 to read as follows:

15 2. *a.* A person who commits an offense of awarding a cash
 16 prize of fifty dollars or less in violation of section 99B.52,
 17 subsection 3, pursuant to rules adopted by the department,
 18 shall be subject to a civil penalty in the amount of two
 19 hundred fifty dollars. Additional sanctions beyond the civil
 20 penalty prescribed by this paragraph, including but not limited
 21 to the suspension or revocation of any ~~liquor control~~ retail
 22 alcohol license issued pursuant to [chapter 123](#) or registration
 23 issued pursuant to [section 99B.53](#) or [99B.56](#), shall not be
 24 applicable.

25 *b.* A person who commits, within two years, a second offense
 26 of awarding a cash prize of fifty dollars or less in violation
 27 of [section 99B.52, subsection 3](#), or a person who commits an
 28 offense of awarding a cash prize of more than fifty dollars in
 29 violation of [section 99B.52, subsection 3](#), pursuant to rules
 30 adopted by the department, shall be subject to revocation of
 31 the person's registration and the following:

32 (1) If the person whose registration is revoked under this
 33 paragraph *"b"* is a person for which a ~~class "A", class "B",~~
 34 ~~class "C", special class "C", or class "D" liquor control,~~
 35 class "E", or class "F" retail alcohol license has been

1 issued pursuant to [chapter 123](#), the person's ~~liquor control~~
 2 retail alcohol license shall be suspended for a period of
 3 fourteen days in the same manner as provided in section 123.50,
 4 subsection 3, paragraph "a".

5 (2) If the person whose registration is revoked under this
 6 paragraph "b" is a person for which only a class "B" or class
 7 ~~"C" beer permit~~ "E" retail alcohol license has been issued
 8 pursuant to [chapter 123](#), the person's class "B" or class ~~"C"~~
 9 ~~beer permit~~ "E" retail alcohol license shall be suspended for
 10 a period of fourteen days in the same manner as provided in
 11 section 123.50, subsection 3, paragraph "a".

12 (3) If a person owning or employed by an establishment
 13 having a ~~class "A", class "B", class "C", special class "C",~~
 14 ~~or class "D" liquor control,~~ class "E", or class "F" retail
 15 alcohol license issued pursuant to [chapter 123](#) commits an
 16 offense as provided in this paragraph "b", the ~~liquor control~~
 17 retail alcohol license of the establishment shall be suspended
 18 for a period of fourteen days in the same manner as provided in
 19 section 123.50, subsection 3, paragraph "a".

20 (4) If a person owning or employed by an establishment
 21 having a class "B" or class ~~"C" beer permit~~ "E" retail alcohol
 22 license issued pursuant to [chapter 123](#) commits an offense as
 23 provided in this paragraph "b", the ~~beer permit~~ retail alcohol
 24 license of the establishment shall be suspended for a period of
 25 fourteen days in the same manner as provided in section 123.50,
 26 subsection 3, paragraph "a".

27 Sec. 99. Section 137F.1, subsection 9, paragraph c, Code
 28 2022, is amended to read as follows:

29 c. A premises covered by a class "A" wine permit ~~or a class~~
 30 ~~"B" wine permit~~ as provided in [chapter 123](#).

31 Sec. 100. Section 331.303, subsection 4, Code 2022, is
 32 amended to read as follows:

33 4. Act upon applications for ~~liquor control~~ retail alcohol
 34 ~~licenses and retail beer permits~~ in accordance with section
 35 123.32.

1 Sec. 101. Section 455C.4, subsection 4, Code 2022, is
2 amended to read as follows:

3 4. A class "E" ~~liquor control~~ retail alcohol licensee
4 may refuse to accept and to pay the refund value on an empty
5 alcoholic liquor container from a dealer or a redemption center
6 or from a person acting on behalf of or who has received empty
7 alcoholic liquor containers from a dealer or a redemption
8 center.

9 Sec. 102. EFFECTIVE DATE. This division of this Act takes
10 effect January 1, 2023.

11 DIVISION V

12 TRANSITION PROVISIONS

13 Sec. 103. TRANSITION PROVISIONS.

14 1. Any license or permit issued by the alcoholic beverages
15 division of the department of commerce that is repealed,
16 merged, or altered in this Act, and in effect on January
17 1, 2023, shall continue in full force and effect with the
18 authority granted by that license or permit until expiration
19 or renewal.

20 2. The alcoholic beverages division of the department of
21 commerce shall be authorized to adopt alternative procedures
22 for the issuance of any license or permit that is repealed,
23 merged, or altered in this Act on January 1, 2023, that are
24 issued on or after the effective date of this division of this
25 Act but before January 1, 2023. The alternative procedures
26 shall not be inconsistent with the provisions of this Act
27 governing the issuance of licenses or permits on or after
28 January 1, 2023.

29 Sec. 104. EFFECTIVE DATE. This division of this Act, being
30 deemed of immediate importance, takes effect upon enactment.

31 EXPLANATION

32 The inclusion of this explanation does not constitute agreement with
33 the explanation's substance by the members of the general assembly.

34 This bill relates to alcoholic beverage control. The bill is
35 organized by divisions.

1 DIVISION I — RETAIL ALCOHOL LICENSES. Code section 123.30,
2 establishing liquor control licenses, is stricken and rewritten
3 by the bill. The bill replaces liquor control licenses with
4 retail alcohol licenses and modifies the classes within the
5 new category of retail alcohol licenses. The current class
6 "A" liquor control license and class "D" liquor control
7 license are renamed a class "F" and a class "D" retail alcohol
8 license, respectively. The current class "B" liquor control
9 license that may be issued to a hotel or motel is eliminated.
10 Instead, the bill establishes a new class "B" retail alcohol
11 license and special class "B" retail alcohol license. The
12 new class "B" retail alcohol license allows the holder to
13 purchase wine from a class "A" wine permittee and beer from a
14 class "A" beer permittee and to sell wine and beer in original
15 unopened containers at retail to patrons for consumption off
16 the licensed premises. The bill also allows a holder of the
17 new class "B" retail alcohol license to sell wine and beer
18 in limited quantities to class "C", special class "C", class
19 "D", and class "F" retail alcohol licensees for resale for
20 consumption on the premises. This new license combines, in
21 part, the authority granted under the current class "C" beer
22 permit for beer and the class "B" wine permit for wine. The
23 new special class "B" retail native wine license authorizes
24 the holder to purchase wine from a native winery holding a
25 class "A" wine permit and to sell native wine only at retail
26 for consumption off the licensed premises. The authority
27 under this new special class "B" retail alcohol license is
28 similar to the authority granted a holder of a current class
29 "B" native wine permit. The current class "C" and special
30 class "C" liquor control licenses are renamed as class "C" and
31 special class "C" retail alcohol licenses. The current special
32 class "C" native distilled spirits liquor control license
33 is repealed. Finally, the current class "E" liquor control
34 license is renamed a class "E" retail alcohol license. In
35 addition, the bill provides that a class "E" retail alcohol

1 licensee can purchase wine and beer from a class "A" wine or
2 beer permittee, respectively. The bill specifically allows the
3 class "E" licensee to sell wine and beer in unopened containers
4 at retail, and to sell alcoholic liquor and high alcoholic
5 content beer at wholesale. The bill also allows a holder
6 of a class "E" retail alcohol license to sell wine and beer
7 in limited quantities to class "C", special class "C", class
8 "D", and class "F" retail alcohol licensees for resale for
9 consumption on the premises.

10 Code section 123.31, providing for liquor control license
11 applications, is stricken and rewritten by the bill. Existing
12 application requirements for liquor control licenses are made
13 applicable to retail alcohol licenses established by the bill.
14 In addition, requirements for issuance of a current class "B"
15 beer permit, class "C" beer permit, and retail wine permit
16 are generally made applicable to issuance of a retail alcohol
17 license.

18 New Code section 123.31A establishes the authority granted
19 a holder of a new class "B", class "C", special class "C",
20 and class "E" retail alcohol license. The authority granted
21 a holder of these licenses as to both wine and beer is similar
22 to the authority granted current holders of a class "B" beer
23 permit, class "C" beer permit, and class "B" wine permit,
24 to include sales of beer or wine in other than the original
25 container. The new Code section provides that a holder of
26 a new class "C" or special class "C" retail alcohol license
27 cannot sell beer or wine to other retail alcohol license
28 holders. The bill also provides, similarly to current Code
29 section 123.181(1), that a holder of any retail alcohol permit
30 shall not sell wine except wine purchased from a person holding
31 a class "A" permit or native wine manufacturer.

32 New Code section 123.31B establishes the authority granted a
33 holder of a new special class "B" retail native wine license.
34 The authority granted a holder of this new license is similar
35 to the authority granted a holder of a current class "B" native

1 wine permit.

2 With the authority granted retail alcohol licensees
3 regarding beer, the current class "B" and class "C" beer
4 permits are repealed. As a result, the division repeals, as
5 to beer permits, Code section 123.138, providing for class
6 "B" beer permit applications, Code section 123.129, providing
7 for class "C" beer permit applications, Code section 123.131,
8 concerning authority under a class "B" beer permit, Code
9 section 123.132, concerning authority under a class "C" beer
10 permit, and Code section 123.140, concerning separate locations
11 for class "B" or class "C" beer permits. In addition, based
12 on the authority granted the new retail licenses regarding
13 wine, the current class "B" wine, class "B" native wine, and
14 class "C" native wine permits are repealed. As a result, the
15 division repeals, as to wine permits, Code section 123.178,
16 concerning authority under a class "B" wine permit, Code
17 section 123.178A, concerning authority under a class "B" native
18 wine permit, and Code section 123.178B, concerning authority
19 under a class "C" native wine permit.

20 The division takes effect January 1, 2023.

21 DIVISION II — ALCOHOLIC BEVERAGE CONTROL FEES. This
22 division concerns fees for the new retail alcohol licenses as
23 well as changes to fees for other licenses and permits in Code
24 chapter 123.

25 Code section 123.23, concerning the distiller's certificate
26 of compliance, is amended to increase the annual fee for the
27 certificate from \$50 to \$200.

28 Code section 123.36, concerning liquor control license
29 fees, is stricken and rewritten and made applicable to the new
30 retail alcohol licenses. The current fees for a class "A"
31 liquor control licensee are made applicable to the new class
32 "F" retail alcohol license. The current fees for a class
33 "B" liquor control license are repealed. Instead, the bill
34 establishes fees for the new class "B" retail alcohol license
35 based on the population of the city where the premises is

1 located as well as the square footage of the licensed premises.
2 The fee for the new special class "B" native wine license is
3 \$125, an increase from the fee for a current class "B" native
4 wine permit of \$25. The fees for the new class "C" and special
5 class "C" retail alcohol license are modified from the current
6 fees for class "C" liquor control licenses. The new fees
7 increase the population thresholds for increased fees for both
8 the new class "C" and special class "C" licenses and reduce the
9 fees for the class "C" retail alcohol license by \$50 over the
10 current fees for a class "C" liquor control license. The new
11 class "D" retail alcohol license fees remain the same as the
12 fees for the current class "D" liquor control license. The
13 bill establishes fees for the new class "E" retail alcohol
14 license based on the population of the city where the premises
15 is located as well as the square footage of the licensed
16 premises. Current fees for the class "E" liquor control
17 license are based only on the population of the city where
18 the premises is located. Current provisions in Code section
19 123.36 governing crediting of liquor control license fees to
20 the beer and liquor control fund are made applicable to the new
21 retail alcohol license fees, excluding the new special class
22 "B" retail alcohol licenses. Current provisions imposing fee
23 surcharges are also made applicable to the new retail alcohol
24 license fees, excluding the new class "B" and special class "B"
25 retail alcohol licenses.

26 Code section 123.41, concerning the manufacturer's license,
27 is amended to decrease the annual fee for the license from \$350
28 to \$300.

29 Code section 123.43(3), concerning a class "A" native
30 distilled spirits license, is amended to decrease the annual
31 fee for the license from \$500 to \$300.

32 Code section 123.134, concerning beer permit fees, is
33 stricken and rewritten. The bill keeps the annual permit fee
34 for a class "A" beer permit at \$750, reduces the annual permit
35 fee for a special class "A" beer permit from \$750 to \$300, and

1 provides that the annual fee for a class "A" beer permit for a
2 native brewery is \$300. Fees for class "B" and class "C" beer
3 permits are repealed as those permits are repealed by the bill.

4 Code section 123.135, concerning the brewer's certificate
5 of compliance, is amended to reduce the annual fee for the
6 certificate from \$500 to \$200.

7 Code section 123.179, concerning wine permit fees, is
8 stricken and rewritten by the bill. The bill keeps the annual
9 permit fee for a class "A" wine permit that is not issued
10 to a native wine manufacturer at \$750, increases the annual
11 permit fee for a class "A" wine permit issued to a native wine
12 manufacturer from \$25 to \$100, and provides that the annual fee
13 for a charity beer, spirits, and wine special event license
14 created in the bill is \$100. Fees for class "B" wine permits
15 and class "B" and class "C" native wine permits are stricken
16 as those permits are repealed by the bill. The current fees
17 for charity wine auctions and charity wine event permits are
18 stricken as those permits are repealed by the bill and combined
19 in the new charity beer, spirits, and wine special event
20 license created by the bill.

21 Code section 123.180, concerning the vintner's certificate
22 of compliance, is amended to increase the annual fee for the
23 certificate from \$150 to \$200.

24 The division takes effect January 1, 2023.

25 DIVISION III — ALCOHOLIC BEVERAGE CONTROL. This division
26 makes changes to Code chapter 123 relative to alcoholic
27 beverage control, to include making conforming changes relative
28 to the creation of the new retail alcohol licenses and the
29 elimination of certain native distilled spirits, beer, and wine
30 permits in the bill. The bill also eliminates the requirement
31 to obtain a special privilege to sell alcoholic beverages on
32 Sunday and provides that sales or other activities relating
33 to alcoholic beverages on Sunday will be allowed to the same
34 extent as they are allowed on any other day.

35 Code section 123.3, definitions, is amended to reflect the

1 new retail alcohol licenses. The bill strikes definitions for
2 "retail beer permit" and "retail wine permit" as those permits
3 are repealed by the bill and creates a new "retail alcohol
4 license" definition reflecting the classes of licenses included
5 within this new license. The definition of "high alcoholic
6 content beer" is also amended to provide that high alcoholic
7 content beer may contain up to 19 percent of alcohol by volume
8 instead of the current 15 percent.

9 Code section 123.34, concerning seasonal licenses and
10 permits, is amended. The bill amends the Code section to
11 reflect the new retail alcohol licenses and allows seasonal
12 and shortened licenses for new class "C", special class
13 "C", class "D", and class "F" retail alcohol licensees. The
14 bill eliminates the six-month seasonal license or permit and
15 provides that the fee for an eight-month seasonal license shall
16 be 50 percent of the license fee for that class of license
17 instead of a proportional share of that fee.

18 New Code section 123.35 includes the provision from
19 current Code section 123.34 providing for the expiration of
20 licenses, permits, and certificates of compliance without
21 the notification requirement. The new Code section further
22 provides, notwithstanding any provision of Code chapter 123
23 to the contrary, for the automatic renewal of a class "E"
24 retail alcohol license, a distiller's, vintner's, or brewer's
25 certificate of compliance, and a wine direct shipper's
26 permit. The bill allows the renewal of the applicable license,
27 certificate, or permit without approval by the administrator
28 of the alcoholic beverages division or endorsement of any
29 applicable local authority upon collection of the annual fee
30 for that license, certificate, or permit by the alcoholic
31 beverages division, provided certain conditions are met since
32 the preceding license, certificate, or permit was issued. The
33 bill provides that the license, certificate, or permit can be
34 automatically renewed if, in the preceding year, the license,
35 certificate, or permit has not been suspended or revoked,

1 a civil penalty has not been imposed, an administrative
2 proceeding is not pending to suspend or revoke the license,
3 certificate, or permit or to impose a civil penalty, all
4 required payments to the division have been made, and the
5 licensee, certificate holder, or permittee, and all persons
6 associated with the licensee, certificate holder, or permittee
7 as described in Code section 123.3(40)(e), have not been
8 convicted of a violation of Code chapter 123. In addition, for
9 renewal of a class "E" retail alcohol license, the licensed
10 premises shall constitute a safe and proper place and building
11 that complies with all applicable building-related regulations.

12 Code section 123.43A, concerning native distilleries, is
13 amended to reflect the new retail alcohol licenses in the bill.
14 The bill also provides that a native distillery, regardless
15 of the quantity of native distilled spirits the distillery
16 produces, has the ability to sell not more than nine liters
17 per person per day of native distilled spirits on the premises
18 of the native distillery and to apply for not more than two
19 class "C" retail alcohol licenses. Under current law, a native
20 distillery that produces and manufactures more than 100,000
21 proof gallons of native distilled spirits on an annual basis
22 may sell no more than 1.5 liters per person per day and is
23 not authorized to apply for a class "C" native distilled
24 spirits liquor control license. A holder of a class "C" retail
25 alcohol license under the bill is granted the authority to sell
26 alcoholic liquor, wine, and beer while a holder of the current
27 class "C" native distilled spirits liquor control licenses has
28 the authority to only sell native distilled spirits and mixed
29 drinks or cocktails.

30 Code section 123.46A, concerning delivery of alcoholic
31 beverages by retailers, is amended to reflect that the new
32 retail alcohol licenses in the bill are licenses, not permits.
33 The bill also provides that deliveries shall occur on the same
34 day the order for delivery of alcoholic beverages is removed
35 from the licensed premises of the retailer.

1 Code sections 123.49 and 123.50, concerning prohibitions
2 and criminal and civil penalties, are amended to reflect the
3 new retail alcohol licenses created in the bill and the fact
4 that the authority to sell at retail is granted only to retail
5 alcohol licensees and not permittees.

6 Code section 123.92, the dramshop Act, is amended to
7 provide that every retail alcohol licensee, except a class
8 "B", special class "B", or class "E" retail alcohol licensee,
9 shall furnish proof of financial responsibility by the
10 existence of a liability insurance policy. Under current law,
11 every liquor control licensee, class "B" beer permittee, and
12 class "C" native wine permittee, except a class "E" liquor
13 control licensee, is required to furnish proof of financial
14 responsibility.

15 Code section 123.97, providing that most revenues arising
16 under the operation of Code chapter 123 become part of the
17 general fund of the state, is repealed as inconsistent with the
18 provisions of current Code section 123.17.

19 Code section 123.123, concerning the applicability of
20 provisions relating to class "B" beer permits to liquor control
21 licensees, is repealed as class "B" beer permits are repealed
22 in the bill.

23 Code section 123.130, concerning authority under class "A"
24 beer permits, is amended to reflect the new retail alcohol
25 licenses in the bill. The bill also provides that a native
26 brewery may be granted not more than two class "C" retail
27 alcohol licenses instead of two class "B" permits which permits
28 are repealed by the bill.

29 Code section 123.138, concerning keg identification
30 stickers, is amended to reflect the new retail alcohol licenses
31 and provides for a keg identification label instead of a
32 sticker. In addition, the bill strikes provisions concerning
33 the forfeiture and remittance of deposits relating to defacing
34 the keg identification label.

35 Code section 123.143, concerning distribution of funds, is

1 amended to strike the provision directing where retail beer
2 permit fees shall be distributed. The bill repeals all retail
3 beer permit fees and the distribution of funds from retail
4 alcohol licenses is governed by Code section 123.36 as amended
5 by the bill.

6 Code section 123.172, concerning the applicability of
7 provisions relating to class "B" wine permits to liquor control
8 licensees, is repealed as class "B" wine permits are repealed
9 in the bill.

10 Code section 123.173, concerning classes of wine permits, is
11 amended by striking provisions relating to class "B", class "B"
12 native wine, and class "C" native wine permits as those permits
13 are repealed by the bill.

14 Code section 123.173A, providing for a charity beer,
15 spirits, and wine auction permit, and Code section 123.173B,
16 providing for a charity beer, spirits, and wine event permit,
17 are stricken and replaced with a combined charity beer,
18 spirits, and wine special event license, allowing the license
19 holder to conduct a charity auction, charity event, or a
20 combined charity auction and charity event in a similar manner
21 as is allowed under current law for the two separate permits.
22 The bill only allows one charity auction, charity event, or
23 combined charity auction and charity event to be conducted
24 during the period of the license and limits a person to no more
25 than two special event licenses in a calendar year.

26 Code section 123.176, concerning native wines, is amended
27 to reflect the new retail alcohol licenses in the bill. The
28 bill also provides that a manufacturer of native wines may be
29 granted not more than two class "C" retail alcohol licenses
30 instead of two class "C" native wine permits which permits are
31 repealed by the bill. A holder of a class "C" retail alcohol
32 license under the bill is granted the authority to sell wine
33 and beer.

34 Code section 123.187, concerning the wine direct shipper
35 permit, is amended to remove the requirement that an

1 application for the permit be accompanied by a bond if not
2 otherwise required to submit a bond as a wine manufacturer.

3 Code section 125.59 is amended to reflect that current
4 provisions providing for transfer of certain revenues to the
5 department of public health are stricken by the bill.

6 The division takes effect January 1, 2023.

7 DIVISION IV — CONFORMING CHANGES. This division makes
8 conforming changes to Code chapters 7D, 12, and 99B, relative
9 to the creation of the new retail alcohol licenses and the
10 elimination of certain native distilled spirits, beer, and wine
11 permits in the bill.

12 Code section 137F.1, defining food establishments for
13 purposes of licensure, is amended to provide that a food
14 establishment does not include only a premises covered by a
15 class "A" wine permit. Under current law, a food establishment
16 also does not include a premises covered by a class "B" wine
17 permit which is stricken by the bill.

18 The division takes effect January 1, 2023.

19 DIVISION V — TRANSITION PROVISIONS. This division provides
20 that any license or permit issued by the alcoholic beverages
21 division that is repealed, merged, or altered in the bill and
22 in effect on January 1, 2023, shall continue in full force and
23 effect with the authority granted by that license or permit
24 until expiration or renewal. The division also authorizes the
25 alcoholic beverages division to adopt alternative procedures
26 for the issuance of any license or permit that is repealed,
27 merged, or altered in the bill that are issued on or after the
28 effective date of the division of the bill but before January
29 1, 2023. The alternative procedures shall not be inconsistent
30 with the provisions of the bill governing the issuance of
31 licenses or permits on or after January 1, 2023.

32 The division takes effect upon enactment.